

**EIGHTY-FIFTH GENERAL ASSEMBLY  
2013 REGULAR SESSION  
DAILY  
SENATE CLIP SHEET**

MARCH 27, 2013

**HOUSE AMENDMENT TO  
SENATE FILE 202**

**S-3085**

1 Amend Senate File 202, as passed by the Senate, as  
2 follows:  
3 1. Page 2, by striking lines 12 through 15 and  
4 inserting:  
5 <A minor who is twelve years of age or older shall  
6 have the legal capacity to act and give consent to  
7 the provision of tobacco cessation coaching services  
8 pursuant to a tobacco cessation telephone and  
9 internet-based program approved by the department.  
10 Consent shall not be subject to>

RECEIVED FROM THE HOUSE

**S-3085** FILED MARCH 26, 2013

S-3087

1 Amend Senate File 275 as follows:

2 1. Page 2, after line 5 by inserting:

3 <Sec. \_\_\_\_\_. Section 562B.10, subsection 4, Code

4 2013, is amended to read as follows:

5 4. Rental agreements shall be for a term of at

6 least one year unless otherwise specified in the

7 rental agreement. Rental agreements shall be ~~canceled~~

8 ~~terminated~~ by at least sixty days' written notice

9 ~~given by either party~~ a tenant unless the tenant is

10 terminating the rental agreement pursuant to a section

11 of this chapter which allows for a shorter notice

12 period. A landlord shall not cancel a rental agreement

13 solely for the purpose of making the tenant's mobile

14 home space available for another mobile home. Rental

15 agreements shall be terminated by a landlord, or not

16 renewed by a landlord, in a time and manner which

17 complies with this chapter.

18 Sec. \_\_\_\_\_. Section 562B.10, Code 2013, is amended by

19 adding the following new subsection:

20 NEW SUBSECTION. 4A. a. A landlord may terminate a

21 tenancy during the initial twelve months of the tenancy

22 if the tenant engages in any of the following:

23 (1) A material noncompliance with the rental

24 agreement.

25 (2) A material violation of the manufactured

26 mobile home community or mobile home park rules or

27 regulations.

28 (3) Any other violation of this chapter for which

29 termination is a remedy.

30 b. A landlord may only terminate a tenancy after

31 the initial twelve months, or may only fail to renew a

32 tenancy, for any of the following reasons:

33 (1) A legitimate and material business reason the

34 impact of which is not specific to one tenant.

35 (2) A change in the use of the land if a change in

36 the use of the land is included in the rental agreement

37 as grounds for termination or nonrenewal.

38 (3) Any of the reasons included in paragraph "a".

39 c. A landlord may terminate or not renew a tenancy

40 pursuant to paragraph "b", subparagraphs (1) and (2),

41 by a written notice given to the tenant at least sixty

42 days prior to the periodic rental date specified in the

43 notice. The notice shall specify all facts which give

44 rise to the notice of termination or failure to renew.>

45 2. Title page, line 1, after <Act> by inserting

46 <relating to mobile and manufactured housing by>

47 3. Title page, line 1, after <fund> by inserting < ,

48 providing for minimum duration of rental agreements,

49 and providing for termination or nonrenewal of rental

50 agreements>

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1 4. By renumbering as necessary.

By THOMAS G. COURTNEY

**S-3087** FILED MARCH 26, 2013

**HOUSE AMENDMENT TO**

**SENATE FILE 288**

**S-3086**

1 Amend Senate File 288, as passed by the Senate, as  
2 follows:

3 1. Page 3, lines 23 and 24, by striking <and  
4 conviction> and inserting <~~and conviction~~>

5 2. Page 6, line 8, after <defendant> by inserting  
6 <, other than a child being prosecuted as a youthful  
7 offender,>

8 3. Page 8, line 5, after <confinement> by inserting  
9 <as prescribed by law for the offense>

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**S-3086** FILED MARCH 26, 2013

SENATE FILE 331

S-3070

1 Amend Senate File 331 as follows:  
2 1. Page 1, after line 19 by inserting:  
3 <Sec. \_\_\_\_\_. Section 321M.9, subsection 1, Code 2013,  
4 is amended to read as follows:  
5 1. Fees to counties. Notwithstanding any other  
6 provision in the Code to the contrary, the county  
7 treasurer of a county authorized to issue driver's  
8 licenses under this chapter shall retain for deposit  
9 in the county general fund ~~seven~~ eight dollars of fees  
10 received for each issuance or renewal of driver's  
11 licenses and nonoperator's identification cards, but  
12 shall not retain any moneys for the issuance of any  
13 persons with disabilities identification devices.  
14 The five dollar processing fee charged by a county  
15 treasurer for collection of a civil penalty under  
16 section 321.218A, 321A.32A, or 321J.17 shall be  
17 retained for deposit in the county general fund. The  
18 county treasurer shall remit the balance of fees and  
19 all civil penalties to the department.>  
20 2. Page 1, by striking lines 29 and 30 and  
21 inserting:  
22 <Sec. \_\_\_\_\_. EFFECTIVE UPON ENACTMENT. The following  
23 provision or provisions of this Act, being deemed of  
24 immediate importance, take effect upon enactment:  
25 1. The section of this Act amending section  
26 321.196, subsection 4.  
27 2. The section of this Act relating to emergency  
28 rules.>  
29 3. Title page, line 2, after <electronically> by  
30 inserting <and the distribution of costs for county  
31 issuance of driver's licenses,>  
32 4. By renumbering as necessary.

**By** TOD BOWMAN

S-3070 FILED MARCH 26, 2013

SENATE FILE 423

S-3068

1 Amend Senate File 423 as follows:

2 1. By striking everything after the enacting clause  
3 and inserting:

4 <DIVISION I

5 REPEAL OF DEPARTMENT OF EDUCATION AND  
6 STATE BOARD OF EDUCATION

7 Section 1. NEW SECTION. 256B.16 Transfer of  
8 authority and duties.

9 1. Beginning July 1, 2014, the authority and  
10 duties of the department of education, the division  
11 of special education created under section 256B.1,  
12 the state board of education, and the director of the  
13 department of education under this chapter shall to the  
14 extent feasible be transferred to the appropriate area  
15 education agency where such special education services  
16 are being provided. Accordingly, beginning July 1,  
17 2014, all references to the department of education or  
18 the division of special education under this chapter  
19 and references to the department of education or the  
20 division of special education under other provisions  
21 of law relating to this chapter shall mean the  
22 applicable area education agency and all references to  
23 the state board of education or the director of the  
24 department of education under this chapter or other  
25 provisions of law relating to this chapter shall mean  
26 the board of directors of the area education agency  
27 and the administrator of the area education agency  
28 respectively.

29 2. Any moneys remaining in any account or fund  
30 under the control of the department of education at the  
31 conclusion of the fiscal year beginning July 1, 2013,  
32 relative to the provisions of this chapter shall be  
33 transferred to the control of the department of human  
34 services for such purposes. Notwithstanding section  
35 8.33, the moneys transferred in accordance with this  
36 subsection shall not revert to the account or fund from  
37 which appropriated or transferred.

38 3. Any contract entered into by the department  
39 of education relating to the provisions of this  
40 chapter in effect at the conclusion of the fiscal year  
41 beginning July 1, 2013, shall continue in full force  
42 and effect pending transfer of such contracts to the  
43 area education agencies.

44 4. Any rule, regulation, form, order, or directive  
45 promulgated by the department of education relative  
46 to the provisions of this chapter in existence at the  
47 conclusion of the fiscal year beginning July 1, 2013,  
48 shall continue in full force and effect.

49 5. In regard to updating references and format in  
50 the Iowa administrative code in order to correspond

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1 to the transferring of duties of this chapter, the  
2 administrative rules coordinator and the administrative  
3 rules review committee, in consultation with the  
4 administrative code editor, shall jointly develop  
5 a schedule for the necessary updating of the Iowa  
6 administrative code.

7 Sec. 2. Section 256C.1, Code 2013, is amended to  
8 read as follows:

9 256C.1 Definitions.

10 As used in this chapter:

11 1. "Approved local program" means a school  
12 district's program for four-year-old children ~~approved~~  
13 ~~by the department of education to provide high quality~~  
14 ~~preschool instruction.~~

15 ~~2. "Department" means the department of education.~~

16 ~~3. "Director" means the director of the department~~  
17 ~~of education.~~

18 ~~4. 2.~~ "Preschool program" means the statewide  
19 preschool program for four-year-old children created in  
20 accordance with this chapter.

21 ~~5. 3.~~ "School district approved to participate in  
22 the preschool program" means a school district that  
23 meets the school district requirements under section  
24 256C.3 ~~and has been approved by the department to~~  
25 ~~participate in the preschool program.~~

26 ~~6. "State board" means the state board of~~  
27 ~~education.~~

28 Sec. 3. Section 256C.2, subsection 2, Code 2013, is  
29 amended by striking the subsection.

30 Sec. 4. Section 256C.3, subsection 2, paragraph  
31 a, subparagraph (3), Code 2013, is amended to read as  
32 follows:

33 (3) The individual possesses a bachelor's or  
34 graduate degree from an accredited college or  
35 university with a major in early childhood education  
36 or other appropriate major ~~identified in rule by the~~  
37 ~~department as determined by the school district's board~~  
38 ~~of directors.~~

39 Sec. 5. Section 256C.3, subsection 3, unnumbered  
40 paragraph 1, Code 2013, is amended to read as follows:

41 ~~The state board shall adopt rules to further define~~  
42 ~~the following preschool program requirements which~~  
43 ~~shall be used to determine whether or not a~~ Each local  
44 program implemented by a school district approved  
45 to implement the preschool program ~~qualifies as an~~  
46 ~~approved local program shall address or conform with~~  
47 all of the following:

48 Sec. 6. Section 256C.3, subsection 3, paragraph e,  
49 Code 2013, is amended to read as follows:

50 e. Collaboration with participating families, early

1 care providers, and community partners including but  
2 not limited to early childhood Iowa area boards, head  
3 start programs, shared visions ~~and other~~ programs  
4 ~~provided under the auspices of the child development~~  
5 ~~coordinating council~~, licensed child care centers,  
6 registered child development homes, area education  
7 agencies, child care resource and referral services  
8 provided under section 237A.26, early childhood special  
9 education programs, services funded by Tit. I of the  
10 federal Elementary and Secondary Education Act of 1965,  
11 and family support programs.

12 Sec. 7. Section 256C.3, subsection 4, Code 2013,  
13 is amended by striking the subsection and inserting in  
14 lieu thereof the following:

15 4. School district requirements.

16 a. Subject to implementation of chapter  
17 28E agreements between a school district and  
18 community-based providers of services to four-year-old  
19 children, a four-year-old child who is enrolled in a  
20 child care center or child development home licensed  
21 or registered under chapter 237A, or in an existing  
22 public or private preschool program, shall be eligible  
23 for services provided by the school district's local  
24 preschool program.

25 b. Professional development for school district  
26 preschool teachers shall be addressed in the school  
27 district's professional development plan implemented in  
28 accordance with section 284.6.

29 Sec. 8. Section 256C.3, subsection 5, Code 2013, is  
30 amended by striking the subsection.

31 Sec. 9. Section 256C.4, subsection 1, paragraph d,  
32 Code 2013, is amended to read as follows:

33 d. Preschool foundation aid funding shall not  
34 be commingled with the other state aid payments made  
35 under section 257.16 to a school district and shall be  
36 accounted for by the local school district separately  
37 from the other state aid payments. Preschool  
38 foundation aid payments made to school districts are  
39 miscellaneous income for purposes of chapter 257. A  
40 school district shall maintain a separate listing  
41 within its budget for preschool foundation aid payments  
42 received and expenditures made. ~~A school district~~  
43 ~~shall certify to the department of education that~~  
44 ~~preschool~~ Preschool foundation aid funding received by  
45 the school district ~~was~~ shall be used to supplement,  
46 not supplant, moneys otherwise received and used by the  
47 school district for preschool programming.

48 Sec. 10. Section 256C.4, subsection 2, paragraph b,  
49 Code 2013, is amended to read as follows:

50 b. The enrollment count of eligible students shall

1 not include a child who is included in the enrollment  
2 count determined under section 257.6 or a child who is  
3 served by a program already receiving state or federal  
4 funds for the purpose of the provision of four-year-old  
5 preschool programming while the child is being served  
6 by the program. Such preschool programming includes  
7 but is not limited to ~~child development assistance~~  
8 ~~programs provided under chapter 256A,~~ special education  
9 programs provided under section 256B.9, school ready  
10 children grant programs and other programs provided  
11 under chapter 256I, and federal head start programs and  
12 the services funded by Tit. I of the federal Elementary  
13 and Secondary Education Act of 1965.

14 Sec. 11. Section 256C.5, subsection 2, Code 2013,  
15 is amended to read as follows:

16 2. Preschool foundation aid district amount.

17 a. For the initial school year for which a school  
18 district approved to participate in the preschool  
19 program ~~receives that approval and~~ implements the  
20 preschool program, the funding for the preschool  
21 foundation aid payable to that school district shall  
22 be paid from the appropriation made for that school  
23 year in section 256C.6, Code 2011, or in another  
24 appropriation made for purposes of this chapter. For  
25 that school year, the preschool foundation aid payable  
26 to the school district is the product of the regular  
27 program state cost per pupil for the school year  
28 multiplied by sixty percent of the school district's  
29 eligible student enrollment on the date in the school  
30 year ~~determined by rule.~~

31 b. For budget years subsequent to the initial  
32 school year for which a school district approved  
33 to participate in the preschool program ~~receives~~  
34 ~~that initial approval and~~ implements the preschool  
35 program, the funding for the preschool foundation aid  
36 payable to that school district shall be paid from the  
37 appropriation made in section 257.16. ~~Continuation~~  
38 ~~of a school district's participation in the preschool~~  
39 ~~program for a second or subsequent budget year is~~  
40 ~~subject to the approval of the department based upon~~  
41 ~~the school district's compliance with accountability~~  
42 ~~provisions and the department's on site review of the~~  
43 ~~school district's implementation of the preschool~~  
44 ~~program.~~

45 Sec. 12. Section 256C.5, subsection 4, Code 2013,  
46 is amended by striking the subsection.

47 Sec. 13. NEW SECTION. 256F.12 Transfer of  
48 authority and duties.

49 1. Beginning July 1, 2014, the authority and duties  
50 of the department of education, the state board, and



1 the director of the department of education under this  
2 chapter, to the extent feasible, shall be transferred  
3 to the board of directors of the community college  
4 serving the merged area in which the charter school  
5 or innovation zone school, or such proposed school,  
6 is located. Accordingly, beginning July 1, 2014, all  
7 references to the department of education, the state  
8 board of education, and the director of the department  
9 of education under this chapter or other provisions of  
10 law relating to this chapter shall mean the board of  
11 directors of the community college serving the merged  
12 area in which the charter school or innovation zone  
13 school, or such proposed school, is located.

14 2. Any contract entered into by the department of  
15 education relating to the provisions of this chapter in  
16 effect at the conclusion of the fiscal year beginning  
17 July 1, 2013, shall continue in full force and effect  
18 pending transfer of such contracts to the appropriate  
19 community college board of directors.

20 3. Any rule, regulation, form, order, or directive  
21 promulgated by the department of education relative  
22 to the provisions of this chapter in existence at the  
23 conclusion of the fiscal year beginning July 1, 2013,  
24 shall continue in full force and effect.

25 Sec. 14. NEW SECTION. 256H.4 Transfer of authority  
26 and duties.

27 1. Beginning July 1, 2014, the authority and duties  
28 of the department of education and the director of  
29 the department of education under this chapter shall  
30 be transferred to the adjutant general of the state.  
31 Accordingly, beginning July 1, 2014, all references to  
32 the department of education and the director of the  
33 department of education under this chapter or other  
34 provisions of law relating to this chapter shall mean  
35 adjutant general of the state.

36 2. Any contract entered into by the department of  
37 education relating to the provisions of this chapter in  
38 effect at the conclusion of the fiscal year beginning  
39 July 1, 2013, shall continue in full force and effect  
40 pending transfer of such contracts to the adjutant  
41 general of the state.

42 3. Any rule, regulation, form, order, or directive  
43 promulgated by the department of education relative  
44 to the provisions of this chapter in existence upon  
45 conclusion of the fiscal year beginning July 1, 2013,  
46 shall continue in full force and effect.

47 Sec. 15. NEW SECTION. 256I.13 Transfer of  
48 authority and duties.

49 1. Beginning July 1, 2014, the authority and  
50 duties of the department of education and the director

1 of the department of education under this chapter  
2 shall be transferred to the department of management  
3 and the director of the department of management.  
4 Accordingly, beginning July 1, 2014, all references  
5 to the department of education or the director of the  
6 department of education under this chapter or under  
7 other provisions of law relating to this chapter shall  
8 mean the department of management and the director of  
9 the department of management.

10 2. Any moneys remaining in any account or fund  
11 under the control of the department of education at  
12 the conclusion of the fiscal year beginning July 1,  
13 2013, relative to the provisions of this chapter shall  
14 be transferred to the control of the department of  
15 management for such purposes. Notwithstanding section  
16 8.33, the moneys transferred in accordance with this  
17 subsection shall not revert to the account or fund from  
18 which appropriated or transferred.

19 3. Any contract entered into by the department of  
20 education relating to the provisions of this chapter in  
21 effect at the conclusion of the fiscal year beginning  
22 July 1, 2013, shall continue in full force and effect  
23 pending transfer of such contracts to the department of  
24 management.

25 4. Any rule, regulation, form, order, or directive  
26 promulgated by the department of education relative  
27 to the provisions of this chapter in existence at the  
28 conclusion of the fiscal year beginning July 1, 2013,  
29 shall continue in full force and effect until amended,  
30 repealed, or supplemented by affirmative action of the  
31 department of management under the duties and powers  
32 established in this chapter and under the procedure  
33 established in subsection 5.

34 5. In regard to updating references and format in  
35 the Iowa administrative code in order to correspond  
36 to the transferring of duties of this chapter, the  
37 administrative rules coordinator and the administrative  
38 rules review committee, in consultation with the  
39 administrative code editor, shall jointly develop  
40 a schedule for the necessary updating of the Iowa  
41 administrative code.

42 Sec. 16. Section 257C.5, subsection 1, Code 2013,  
43 is amended to read as follows:

44 1. The powers of the authority are vested in and  
45 exercised by a board consisting of five members,  
46 including the treasurer of state, ~~the director of~~  
47 ~~the department of education~~, and the director of  
48 the department of management, and ~~two~~ three members  
49 appointed by the governor, subject to confirmation  
50 by the senate. The state officials may designate

1 representatives to serve on the board for them. As far  
2 as possible, the governor shall appoint members who are  
3 knowledgeable or experienced in the school systems of  
4 this state or in finance.

5 Sec. 17. NEW SECTION. 258.18 Transfer of authority  
6 and duties.

7 1. Beginning July 1, 2014, the authority and  
8 duties of the department of education, the state board  
9 of education, and the director of the department of  
10 education under this chapter shall be transferred  
11 to the department of workforce development and the  
12 director of the department of workforce development.  
13 Accordingly, beginning July 1, 2014, all references  
14 to the department of education under this chapter  
15 and references to the department of education under  
16 other provisions of law relating to this chapter shall  
17 mean the department of workforce development and all  
18 references to the state board of education or the  
19 director of the department of education under this  
20 chapter or other provisions of law relating to this  
21 chapter shall mean the director of the department of  
22 workforce development.

23 2. Any moneys remaining in any account or fund  
24 under the control of the department of education  
25 at the conclusion of the fiscal year beginning  
26 July 1, 2013, relative to the provisions of this  
27 chapter shall be transferred to the control of the  
28 department of workforce development for such purposes.  
29 Notwithstanding section 8.33, the moneys transferred in  
30 accordance with this subsection shall not revert to the  
31 account or fund from which appropriated or transferred.

32 3. Any contract entered into by the department of  
33 education relating to the provisions of this chapter in  
34 effect at the conclusion of the fiscal year beginning  
35 July 1, 2013, shall continue in full force and effect  
36 pending transfer of such contracts to the department  
37 of workforce development.

38 4. Any rule, regulation, form, order, or directive  
39 promulgated by the department of education relative  
40 to the provisions of this chapter in existence at the  
41 conclusion of the fiscal year beginning July 1, 2013,  
42 shall continue in full force and effect until amended,  
43 repealed, or supplemented by affirmative action of the  
44 department of workforce development under the duties  
45 and powers established in this chapter and under the  
46 procedure established in subsection 5.

47 5. In regard to updating references and format in  
48 the Iowa administrative code in order to correspond  
49 to the transferring of duties of this chapter, the  
50 administrative rules coordinator and the administrative

1 rules review committee, in consultation with the  
2 administrative code editor, shall jointly develop  
3 a schedule for the necessary updating of the Iowa  
4 administrative code.

5 Sec. 18. NEW SECTION. 259.1A Transfer of authority  
6 and duties.

7 1. Beginning July 1, 2014, the authority and  
8 duties of the department of education, the state board  
9 of education, and the director of the department of  
10 education under this chapter shall be transferred  
11 to the department of workforce development and the  
12 director of the department of workforce development.  
13 Accordingly, beginning July 1, 2014, all references  
14 to the department of education under this chapter  
15 and references to the department of education under  
16 other provisions of law relating to this chapter shall  
17 mean the department of workforce development and all  
18 references to the state board of education or the  
19 director of the department of education under this  
20 chapter or other provisions of law relating to this  
21 chapter shall mean the director of the department of  
22 workforce development.

23 2. Beginning July 1, 2014, the division of  
24 vocational rehabilitation services created within the  
25 department of education under section 259.3 shall be  
26 transferred to the department of workforce development.

27 3. Any moneys remaining in any account or fund  
28 under the control of the department of education  
29 at the conclusion of the fiscal year beginning  
30 July 1, 2013, relative to the provisions of this  
31 chapter shall be transferred to the control of the  
32 department of workforce development for such purposes.  
33 Notwithstanding section 8.33, the moneys transferred in  
34 accordance with this subsection shall not revert to the  
35 account or fund from which appropriated or transferred.

36 4. Any contract entered into by the department of  
37 education relating to the provisions of this chapter in  
38 effect at the conclusion of the fiscal year beginning  
39 July 1, 2013, shall continue in full force and effect  
40 pending transfer of such contracts to the department  
41 of workforce development.

42 5. Any rule, regulation, form, order, or directive  
43 promulgated by the department of education relative  
44 to the provisions of this chapter in existence at the  
45 conclusion of the fiscal year beginning July 1, 2013,  
46 shall continue in full force and effect until amended,  
47 repealed, or supplemented by affirmative action of the  
48 department of workforce development under the duties  
49 and powers established in this chapter and under the  
50 procedure established in subsection 6.

1 6. In regard to updating references and format in  
2 the Iowa administrative code in order to correspond  
3 to the transferring of duties of this chapter, the  
4 administrative rules coordinator and the administrative  
5 rules review committee, in consultation with the  
6 administrative code editor, shall jointly develop  
7 a schedule for the necessary updating of the Iowa  
8 administrative code.

9 Sec. 19. Section 259A.1, Code 2013, is amended to  
10 read as follows:

11 259A.1 Tests.

12 ~~The department of education~~ Each board of directors  
13 of the community college serving the merged area shall  
14 cause to be made available for qualified individuals  
15 a high school equivalency diploma. The diploma shall  
16 be issued on the basis of satisfactory competence as  
17 shown by tests covering all of the following: reading,  
18 arts, language arts, writing, mathematics, science, and  
19 social studies.

20 Sec. 20. Section 259A.2, unnumbered paragraph 2,  
21 Code 2013, is amended to read as follows:

22 Application shall be made to a testing center  
23 approved by the ~~department of education~~ board of  
24 directors of the community college serving the merged  
25 area, accompanied by an application fee in an amount  
26 prescribed by the department board of directors of the  
27 community college. The test scores shall be forwarded  
28 by the testing center to the department board of  
29 directors of the community college.

30 Sec. 21. Section 259A.3, Code 2013, is amended to  
31 read as follows:

32 259A.3 Notice and fee.

33 Any applicant who has achieved the minimum passing  
34 standards as established by the ~~department, and~~  
35 ~~approved by the state board,~~ board of directors of  
36 the community college shall be issued a high school  
37 equivalency diploma by the department upon payment of  
38 an additional amount determined in rules adopted by  
39 the state board of education by the board to cover the  
40 actual costs of the production and distribution of the  
41 diploma. The state board of education may also by rule  
42 establish a fee for the issuance or verification of a  
43 transcript which shall be based on the actual costs of  
44 the production or verification of a transcript.

45 Sec. 22. Section 259A.4, Code 2013, is amended to  
46 read as follows:

47 259A.4 Use of fees.

48 The fees collected under the provisions of this  
49 chapter shall be used for the expenses incurred in  
50 administering, providing test materials, scoring of

1 examinations and issuance of high school equivalency  
2 diplomas, and shall be disbursed on the authorization  
3 of the ~~director of the department of education board~~  
4 of directors of the community college. The treasurer  
5 of state shall be custodian of the funds paid to the  
6 ~~department community college~~ and shall disburse the  
7 same on vouchers audited as provided by law. The  
8 unobligated balance in such funds at the close of each  
9 biennium shall be placed in the general fund of the  
10 state.

11 Sec. 23. Section 259A.5, Code 2013, is amended to  
12 read as follows:

13 259A.5 Rules.

14 ~~The director of the department of education~~ Each  
15 board of directors of the community college shall adopt  
16 tests, definitions of terms, and forms as necessary for  
17 the administration of this chapter. ~~The state board~~  
18 ~~shall adopt rules under chapter 17A to carry out this~~  
19 ~~chapter.~~

20 Sec. 24. NEW SECTION. 260C.1A Transfer of  
21 authority and duties.

22 1. Beginning July 1, 2014, the authority and  
23 duties of the department of education, the state board  
24 of education, and the director of the department of  
25 education under this chapter shall, to the extent  
26 feasible, be transferred to the boards of directors  
27 of the community colleges serving the merged areas of  
28 the state. Accordingly, beginning July 1, 2014, all  
29 references to the department of education, the state  
30 board of education, and the director of the department  
31 of education under this chapter and references to the  
32 department of education, the state board of education,  
33 and the director of the department of education under  
34 other provisions of law relating to this chapter shall  
35 mean the applicable board of directors of a community  
36 college.

37 2. Beginning July 1, 2014, transfer of the duties  
38 and authority of the department shall also include  
39 all duties and authority of the community colleges  
40 division created within the department of education  
41 under section 260C.6.

42 3. Any moneys remaining in any account or fund  
43 under the control of the department of education at the  
44 conclusion of the fiscal year beginning July 1, 2013,  
45 relative to the provisions of this chapter shall be  
46 transferred to the control of the applicable board of  
47 directors of a community college for such purposes.  
48 Notwithstanding section 8.33, the moneys transferred in  
49 accordance with this subsection shall not revert to the  
50 account or fund from which appropriated or transferred.



1 4. Any contract entered into by the department of  
2 education relating to the provisions of this chapter in  
3 effect at the conclusion of the fiscal year beginning  
4 July 1, 2013, shall continue in full force and effect  
5 pending transfer of such contracts to the boards of  
6 directors of the community colleges.

7 5. Any rule, regulation, form, order, or directive  
8 promulgated by the department of education relative  
9 to the provisions of this chapter in existence at the  
10 conclusion of the fiscal year beginning July 1, 2013,  
11 shall continue in full force and effect.

12 Sec. 25. Section 260E.7, subsection 1, Code 2013,  
13 is amended to read as follows:

14 1. The economic development authority, in  
15 consultation with the ~~department of education, the~~  
16 department of revenue, and the department of workforce  
17 development, shall coordinate and review the new jobs  
18 training program. The economic development authority  
19 shall adopt, amend, and repeal rules under chapter  
20 17A that the community college will use in developing  
21 projects with new and expanding industrial new jobs  
22 training proposals and that the economic development  
23 authority shall use to review and report on the new  
24 jobs training program as required in this section.

25 Sec. 26. Section 260F.6B, Code 2013, is amended to  
26 read as follows:

27 260F.6B High technology apprenticeship program.  
28 The community colleges and the economic development  
29 authority are authorized to fund high technology  
30 apprenticeship programs which comply with the  
31 requirements specified in section 260C.44 and which may  
32 include both new and statewide apprenticeship programs.  
33 Notwithstanding the provisions of section 260F.6,  
34 subsection 2, relating to maximum award amounts,  
35 moneys allocated to the community colleges with high  
36 technology apprenticeship programs shall be distributed  
37 to the community colleges based upon contact hours  
38 under the programs administered during the prior  
39 fiscal year as determined by the ~~department of~~  
40 ~~education~~ economic development authority. The economic  
41 development authority shall adopt rules governing this  
42 section's operation and participant eligibility.

43 Sec. 27. Section 260F.7, Code 2013, is amended to  
44 read as follows:

45 260F.7 Economic development authority to coordinate.  
46 The economic development authority, in consultation  
47 with ~~the department of education and the department~~  
48 of workforce development, shall coordinate the jobs  
49 training program. A project shall not be funded  
50 under this chapter unless the economic development

1 authority approves the project. The authority shall  
2 adopt rules pursuant to chapter 17A governing the  
3 program's operation and eligibility for participation  
4 in the program. The authority shall establish by rule  
5 criteria for determining what constitutes an eligible  
6 business.

7 Sec. 28. Section 260H.2, Code 2013, is amended to  
8 read as follows:

9 260H.2 Pathways for academic career and employment  
10 program.

11 A pathways for academic career and employment  
12 program is established to provide funding to  
13 community colleges for the development of projects in  
14 coordination with the economic development authority,  
15 ~~the department of education~~, the department of  
16 workforce development, regional advisory boards  
17 established pursuant to section 84A.4, and community  
18 partners to implement a simplified, streamlined, and  
19 comprehensive process, along with customized support  
20 services, to enable eligible participants to acquire  
21 effective academic and employment training to secure  
22 gainful, quality, in-state employment.

23 Sec. 29. Section 260H.8, Code 2013, is amended to  
24 read as follows:

25 260H.8 Rules.

26 The ~~department of education~~ economic development  
27 authority, in consultation with the community colleges,  
28 ~~the economic development authority~~, and the department  
29 of workforce development, shall adopt rules pursuant  
30 to chapter 17A and this chapter to implement the  
31 provisions of this chapter. Regional advisory  
32 boards established pursuant to section 84A.4 shall be  
33 consulted in the development and implementation of  
34 rules to be adopted pursuant to this chapter.

35 Sec. 30. Section 260I.2, subsection 2, paragraph a,  
36 Code 2013, is amended to read as follows:

37 a. There is established for the community colleges  
38 a gap tuition assistance fund in the state treasury to  
39 be administered by the ~~department of education~~ economic  
40 development authority. The funds in the gap tuition  
41 assistance fund are appropriated to the ~~department of~~  
42 education economic development authority for the gap  
43 tuition assistance program.

44 Sec. 31. Section 260I.3, subsection 1, Code 2013,  
45 is amended to read as follows:

46 1. The ~~department of education, in consultation~~  
47 ~~with the~~ economic development authority, shall adopt  
48 rules pursuant to this chapter defining eligibility  
49 criteria for persons applying to receive tuition  
50 assistance under this chapter.



1 Sec. 32. Section 260I.10, Code 2013, is amended to  
2 read as follows:

3 260I.10 Oversight.

4 1. The ~~department of education~~ economic development  
5 authority, in coordination with the community colleges,  
6 shall establish a steering committee. The steering  
7 committee shall determine if the performance measures  
8 of the gap tuition assistance program are being met and  
9 shall take necessary steps to correct any deficiencies.  
10 The steering committee shall meet at least quarterly to  
11 evaluate and monitor the performance of the gap tuition  
12 assistance program.

13 2. The ~~department of education~~ economic development  
14 authority, in coordination with the community colleges,  
15 shall develop a common intake tracking system that  
16 shall be implemented consistently by each participating  
17 community college.

18 3. The ~~department of education~~ economic development  
19 authority shall coordinate statewide oversight,  
20 evaluation, and reporting efforts for the gap tuition  
21 assistance program.

22 Sec. 33. Section 260I.11, Code 2013, is amended to  
23 read as follows:

24 260I.11 Rules.

25 The ~~department of education~~ economic development  
26 authority, in consultation with the ~~economic~~  
27 ~~development authority~~ and the community colleges, shall  
28 adopt rules pursuant to chapter 17A and this chapter to  
29 implement the provisions of this chapter.

30 Sec. 34. Section 261.1, subsection 2, paragraph b,  
31 Code 2013, is amended by striking the paragraph.

32 Sec. 35. NEW SECTION. 261.8 Transfer of authority  
33 and duties.

34 1. Beginning July 1, 2014, the authority  
35 and duties of the department of education, the  
36 state board of education, and the director of the  
37 department of education under this chapter shall be  
38 transferred to the college student aid commission.  
39 Accordingly, beginning July 1, 2014, all references  
40 to the department of education or the director of  
41 the department of education under this chapter and  
42 references to the department of education or the  
43 director of the department of education under other  
44 provisions of law relating to this chapter shall mean  
45 the college student aid commission.

46 2. Any moneys remaining in any account or fund  
47 under the control of the department of education at the  
48 conclusion of the fiscal year beginning July 1, 2013,  
49 relative to the provisions of this chapter shall be  
50 transferred to the control of the college student aid

1 commission for such purposes. Notwithstanding section  
2 8.33, the moneys transferred in accordance with this  
3 subsection shall not revert to the account or fund from  
4 which appropriated or transferred.

5 3. Any contract entered into by the department of  
6 education relating to the provisions of this chapter in  
7 effect at the conclusion of the fiscal year beginning  
8 July 1, 2013, shall continue in full force and effect  
9 pending transfer of such contracts to the college  
10 student aid commission.

11 4. Any rule, regulation, form, order, or directive  
12 promulgated by the department of education relative  
13 to the provisions of this chapter in existence at the  
14 conclusion of the fiscal year beginning July 1, 2013,  
15 shall continue in full force and effect until amended,  
16 repealed, or supplemented by affirmative action of  
17 the college student aid commission under the duties  
18 and powers established in this chapter and under the  
19 procedure established in subsection 5.

20 5. In regard to updating references and format in  
21 the Iowa administrative code in order to correspond  
22 to the transferring of duties of this chapter, the  
23 administrative rules coordinator and the administrative  
24 rules review committee, in consultation with the  
25 administrative code editor, shall jointly develop  
26 a schedule for the necessary updating of the Iowa  
27 administrative code.

28 Sec. 36. NEW SECTION. 261E.1A Transfer of  
29 authority and duties.

30 1. Beginning July 1, 2014, the authority and  
31 duties of the department of education, the state board  
32 of education, and the director of the department of  
33 education under this chapter shall be transferred to  
34 the state board of regents. Accordingly, beginning  
35 July 1, 2014, all references to the department of  
36 education, the state board of education, or the  
37 director of the department of education under this  
38 chapter and references to the department of education,  
39 state board of education, or director of the department  
40 of education under other provisions of law relating to  
41 this chapter shall mean the state board of regents.

42 2. Any moneys remaining in any account or fund  
43 under the control of the department of education at  
44 the conclusion of the fiscal year beginning July 1,  
45 2013, relative to the provisions of this chapter shall  
46 be transferred to the control of the state board of  
47 regents for such purposes. Notwithstanding section  
48 8.33, the moneys transferred in accordance with this  
49 subsection shall not revert to the account or fund from  
50 which appropriated or transferred.

1 3. Any contract entered into by the department of  
2 education relating to the provisions of this chapter in  
3 effect at the conclusion of the fiscal year beginning  
4 July 1, 2013, shall continue in full force and effect  
5 pending transfer of such contracts to the state board  
6 of regents.

7 4. Any rule, regulation, form, order, or directive  
8 promulgated by the department of education relative  
9 to the provisions of this chapter in existence at the  
10 conclusion of the fiscal year beginning July 1, 2013,  
11 shall continue in full force and effect until amended,  
12 repealed, or supplemented by affirmative action of the  
13 state board of regents under the duties and powers  
14 established in this chapter and under the procedure  
15 established in subsection 5.

16 5. In regard to updating references and format in  
17 the Iowa administrative code in order to correspond  
18 to the transferring of duties of this chapter, the  
19 administrative rules coordinator and the administrative  
20 rules review committee, in consultation with the  
21 administrative code editor, shall jointly develop  
22 a schedule for the necessary updating of the Iowa  
23 administrative code.

24 Sec. 37. Section 262.9, subsection 27, Code 2013,  
25 is amended to read as follows:

26 ~~27. Explore, in conjunction with the department~~  
27 ~~of education,~~ the need for coordination between  
28 school districts, area education agencies, state  
29 board of regents institutions, and community  
30 colleges for purposes of delivery of courses, use of  
31 telecommunications, transportation, and other similar  
32 issues. Coordination may include but is not limited  
33 to coordination of calendars, programs, schedules, or  
34 telecommunications emissions. The state board shall  
35 develop recommendations as necessary, which shall be  
36 submitted in a report to the general assembly on a  
37 timely basis.

38 Sec. 38. Section 262.9, subsection 33, unnumbered  
39 paragraph 1, Code 2013, is amended to read as follows:

40 ~~In consultation with the state board of education,~~  
41 ~~establish~~ Establish and enter into a collective  
42 statewide articulation agreement with the community  
43 colleges established pursuant to chapter 260C, which  
44 shall provide for the seamless transfer of academic  
45 credits from a completed associate of arts or associate  
46 of science degree program offered by a community  
47 college to a baccalaureate degree program offered by an  
48 institution of higher education governed by the board.  
49 The board shall also do the following:

50 Sec. 39. Section 262.9, subsection 33, paragraph i,

1 Code 2013, is amended to read as follows:

2 i. ~~Prepare, jointly with the department of~~  
3 ~~education and the liaison advisory committee on~~  
4 ~~transfer students, and submit by January 15 annually~~  
5 ~~to the general assembly, an update on the articulation~~  
6 ~~efforts and activities implemented by the community~~  
7 ~~colleges and the institutions of higher education~~  
8 ~~governed by the board.~~

9 Sec. 40. Section 262.71, subsection 9, Code 2013,  
10 is amended by striking the subsection.

11 Sec. 41. Section 266.39C, subsection 2, paragraph  
12 a, subparagraph (5), Code 2013, is amended to read as  
13 follows:

14 (5) One representative of community colleges,  
15 appointed by the ~~state board of education~~ governor.

16 Sec. 42. Section 266.39C, subsection 6, Code 2013,  
17 is amended to read as follows:

18 6. The Iowa energy center shall ~~cooperate with~~  
19 ~~the state board of education in developing~~ develop  
20 a curriculum which promotes energy efficiency and  
21 conservation.

22 Sec. 43. Section 272.1, subsection 4, Code 2013, is  
23 amended by striking the subsection.

24 Sec. 44. NEW SECTION. 272.1A Transfer of authority  
25 and duties.

26 1. Beginning July 1, 2014, the authority and  
27 duties of the department of education, the state board  
28 of education, and the director of the department of  
29 education under this chapter shall be transferred to  
30 the board of educational examiners. Accordingly,  
31 beginning July 1, 2014, all references to the  
32 department of education, the state board of education,  
33 or the director of the department of education under  
34 this chapter and references to the department of  
35 education, state board of education, or director of  
36 the department of education under other provisions of  
37 law relating to this chapter shall mean the board of  
38 educational examiners.

39 2. Any moneys remaining in any account or fund  
40 under the control of the department of education at the  
41 conclusion of the fiscal year beginning July 1, 2013,  
42 relative to the provisions of this chapter shall be  
43 transferred to the control of the board of educational  
44 examiners for such purposes. Notwithstanding section  
45 8.33, the moneys transferred in accordance with this  
46 subsection shall not revert to the account or fund from  
47 which appropriated or transferred.

48 3. Any contract entered into by the department of  
49 education relating to the provisions of this chapter in  
50 effect at the conclusion of the fiscal year beginning

1 July 1, 2013, shall continue in full force and effect  
2 pending transfer of such contracts to the board of  
3 educational examiners.

4 Sec. 45. Section 272.3, subsection 1, unnumbered  
5 paragraph 1, Code 2013, is amended to read as follows:

6 The board of educational examiners consists of  
7 twelve members. Two must be members of the general  
8 public, ~~one must be the director of the department of~~  
9 ~~education or the director's designee~~, and the remaining  
10 ~~nine ten~~ members must be licensed practitioners. One  
11 of the public members shall have served on a school  
12 board. The public members shall never have held a  
13 practitioner's license, but shall have a demonstrated  
14 interest in education. The ~~nine ten~~ practitioners  
15 shall be selected from the following areas and  
16 specialties of the teaching profession:

17 Sec. 46. Section 272.3, subsection 2, Code 2013, is  
18 amended to read as follows:

19 2. A majority of the licensed practitioner members  
20 shall be nonadministrative practitioners. Four of the  
21 members shall be administrators. Membership of the  
22 board shall comply with the requirements of sections  
23 69.16 and 69.16A. A quorum of the board shall consist  
24 of six members. Members shall elect a chairperson  
25 of the board. Members, ~~except for the director~~  
26 ~~of the department of education or the director's~~  
27 ~~designee~~, shall be appointed by the governor subject to  
28 confirmation by the senate.

29 Sec. 47. Section 272.4, subsection 1, unnumbered  
30 paragraph 1, Code 2013, is amended to read as follows:

31 Members, ~~except for the director of the department~~  
32 ~~of education or the director's designee~~, shall be  
33 appointed to serve staggered terms of four years.  
34 A member shall not serve more than two consecutive  
35 terms, ~~except for the director of the department of~~  
36 ~~education or the director's designee, who shall serve~~  
37 ~~until the director's term of office expires~~. A member  
38 of the board, except for the two public members ~~and~~  
39 ~~the director of the department of education or the~~  
40 ~~director's designee~~, shall hold a valid practitioner's  
41 license during the member's term of office. A vacancy  
42 exists when any of the following occur:

43 Sec. 48. Section 272.25, subsections 3, 4, and 8,  
44 Code 2013, are amended to read as follows:

45 3. A requirement that the program include  
46 instruction in skills and strategies to be used in  
47 classroom management of individuals, and of small and  
48 large groups, under varying conditions, ~~and~~ and skills for  
49 communicating and working constructively with pupils,  
50 teachers, administrators, and parents; ~~and skills for~~

~~1 understanding the role of the board of education and~~  
~~2 the functions of other education agencies in the state.~~  
~~3 The requirement shall be based upon recommendations of~~  
~~4 the department of education after consultation with~~  
~~5 teacher education faculty members in colleges and~~  
~~6 universities.~~

7 4. A requirement that prescribes minimum  
8 experiences and responsibilities to be accomplished  
9 during the student teaching experience by the student  
10 teacher and by the cooperating teacher ~~based upon~~  
11 ~~recommendations of the department of education after~~  
12 ~~consultation with teacher education faculty members~~  
13 ~~in colleges and universities.~~ The student teaching  
14 experience shall include opportunities for the student  
15 teacher to become knowledgeable about the Iowa teaching  
16 standards, including a mock evaluation performed by  
17 the cooperating teacher. The mock evaluation shall  
18 not be used as an assessment tool by the practitioner  
19 preparation program. The student teaching experience  
20 shall consist of interactive experiences involving the  
21 college or university personnel, the student teacher,  
22 the cooperating teacher, and administrative personnel  
23 from the cooperating teacher's school district.

24 8. A requirement that an approved practitioner  
25 preparation institution submit evidence that the  
26 ~~college or department of education~~ is communicating  
27 with other colleges or departments in the institution  
28 so that practitioner preparation students may integrate  
29 teaching methodology with subject matter areas of  
30 specialization.

31 Sec. 49. NEW SECTION. 273.1A Transfer of authority  
32 and duties.

33 1. Beginning July 1, 2014, the authority and  
34 duties of the department of education, the state board  
35 of education, and the director of the department of  
36 education under this chapter shall, to the extent  
37 feasible, be transferred to the area education agency  
38 boards of directors in this state. Accordingly,  
39 beginning July 1, 2014, all references to the  
40 department of education, the state board of education,  
41 and the director of the department of education  
42 under this chapter and references to the department  
43 of education, the state board of education, and the  
44 director of the department of education under other  
45 provisions of law relating to this chapter shall  
46 mean the applicable area education agency board of  
47 directors.

48 2. Any rule, regulation, form, order, or directive  
49 promulgated by the department of education relative  
50 to the provisions of this chapter in existence at the



1 conclusion of the fiscal year beginning July 1, 2013,  
2 shall continue in full force and effect.

3 Sec. 50. Section 273.2, subsection 5, unnumbered  
4 paragraph 1, Code 2013, is amended to read as follows:

5 The area education agency board may provide for  
6 the following programs and services to local school  
7 districts, ~~and at the request of local school districts~~  
8 ~~to providers of child development services who have~~  
9 ~~received grants under chapter 256A from the child~~  
10 ~~development coordinating council~~, within the limits of  
11 funds available:

12 Sec. 51. NEW SECTION. 274.1A Transfer of authority  
13 and duties.

14 1. Beginning July 1, 2014, the authority and duties  
15 of the department of education and the director of  
16 the department of education under this chapter shall,  
17 to the extent feasible, be transferred to the area  
18 education agency boards of directors in this state.  
19 Accordingly, beginning July 1, 2014, all references  
20 to the department of education and the director of  
21 the department of education under this chapter and  
22 references to the department of education and the  
23 director of the department of education under other  
24 provisions of law relating to this chapter shall  
25 mean the applicable area education agency board of  
26 directors.

27 2. Any rule, regulation, form, order, or directive  
28 promulgated by the department of education or the  
29 director of the department of education relative to  
30 the provisions of this chapter in existence at the  
31 conclusion of the fiscal year beginning July 1, 2013,  
32 shall continue in full force and effect.

33 Sec. 52. NEW SECTION. 275.1A Transfer of authority  
34 and duties.

35 1. Beginning July 1, 2014, the authority and  
36 duties of the department of education, the state board  
37 of education, and the director of the department of  
38 education under this chapter shall, to the extent  
39 feasible, be transferred to the area education agency  
40 boards of directors in this state. Accordingly,  
41 beginning July 1, 2014, all references to the  
42 department of education, the state board of education,  
43 and the director of the department of education  
44 under this chapter and references to the department  
45 of education, the state board of education, and the  
46 director of the department of education under other  
47 provisions of law relating to this chapter shall  
48 mean the applicable area education agency board of  
49 directors.

50 2. Any rule, regulation, form, order, or directive

1 promulgated by the department of education, the state  
2 board of education, or the director of the department  
3 of education relative to the provisions of this chapter  
4 in existence at the conclusion of the fiscal year  
5 beginning July 1, 2013, shall continue in full force  
6 and effect.

7 Sec. 53. Section 276.3, subsections 5 and 9, Code  
8 2013, are amended by striking the subsections.

9 Sec. 54. Section 279.51, subsection 1, unnumbered  
10 paragraph 1, Code 2013, is amended to read as follows:

11 There is appropriated from the general fund of the  
12 state to the department of ~~education~~ management for the  
13 fiscal year beginning July 1, 2007, and each succeeding  
14 fiscal year, the sum of twelve million six hundred six  
15 thousand one hundred ninety-six dollars. The moneys  
16 shall be allocated as follows:

17 Sec. 55. Section 279.51, subsection 1, paragraphs  
18 b and d, Code 2013, are amended by striking the  
19 paragraphs.

20 Sec. 56. Section 279.51, subsection 2, Code 2013,  
21 is amended by striking the subsection.

22 Sec. 57. NEW SECTION. 279.69 Transfer of authority  
23 and duties.

24 1. Beginning July 1, 2014, the authority and  
25 duties of the department of education, the state board  
26 of education, and the director of the department of  
27 education under this chapter, to the extent feasible,  
28 shall be transferred to the boards of directors  
29 for the respective school districts in the state.  
30 Accordingly, beginning July 1, 2014, all references  
31 to the department of education, the state board of  
32 education, and the director of the department of  
33 education under this chapter and references to the  
34 department of education, the state board of education,  
35 and the director of the department of education under  
36 other provisions of law relating to this chapter shall  
37 mean the applicable board of directors of the school  
38 district.

39 2. Any rule, regulation, form, order, or directive  
40 promulgated by the department of education, the state  
41 board of education, or the director of the department  
42 of education relative to the provisions of this chapter  
43 in existence at the conclusion of the fiscal year  
44 beginning July 1, 2013, shall continue in full force  
45 and effect.

46 Sec. 58. NEW SECTION. 280.1A Transfer of authority  
47 and duties.

48 1. Beginning July 1, 2014, the authority and  
49 duties of the department of education, the state board  
50 of education, and the director of the department of



1 education under this chapter, to the extent feasible,  
2 shall be transferred to the boards of directors  
3 for the respective school districts in the state.  
4 Accordingly, beginning July 1, 2014, all references  
5 to the department of education, the state board of  
6 education, and the director of the department of  
7 education under this chapter and references to the  
8 department of education, the state board of education,  
9 and the director of the department of education under  
10 other provisions of law relating to this chapter shall  
11 mean the applicable board of directors of the school  
12 district.

13 2. Any rule, regulation, form, order, or directive  
14 promulgated by the department of education, the state  
15 board of education, or the director of the department  
16 of education relative to the provisions of this chapter  
17 in existence at the conclusion of the fiscal year  
18 beginning July 1, 2013, shall continue in full force  
19 and effect.

20 Sec. 59. NEW SECTION. 282.1A Transfer of authority  
21 and duties.

22 1. Beginning July 1, 2014, the authority and  
23 duties of the department of education, the state board  
24 of education, and the director of the department of  
25 education under this chapter, to the extent feasible,  
26 shall be transferred to the boards of directors  
27 for the respective school districts in the state.  
28 Accordingly, beginning July 1, 2014, all references  
29 to the department of education, the state board of  
30 education, and the director of the department of  
31 education under this chapter and references to the  
32 department of education, the state board of education,  
33 and the director of the department of education under  
34 other provisions of law relating to this chapter shall  
35 mean the applicable board of directors of the school  
36 district.

37 2. Any rule, regulation, form, order, or directive  
38 promulgated by the department of education, the state  
39 board of education, or the director of the department  
40 of education relative to the provisions of this chapter  
41 in existence at the conclusion of the fiscal year  
42 beginning July 1, 2013, shall continue in full force  
43 and effect.

44 Sec. 60. Section 282.18, subsections 5 and 13, Code  
45 2013, are amended to read as follows:

46 5. Open enrollment applications filed after March  
47 1 of the preceding school year that do not qualify  
48 for good cause as provided in subsection 4 shall be  
49 subject to the approval of the board of the resident  
50 district and the board of the receiving district. The

1 parent or guardian shall send notification to the  
2 district of residence and the receiving district that  
3 the parent or guardian seeks to enroll the parent's or  
4 guardian's child in the receiving district. ~~A decision~~  
5 ~~of either board to deny an application filed under this~~  
6 ~~subsection involving repeated acts of harassment of~~  
7 ~~the student or serious health condition of the student~~  
8 ~~that the resident district cannot adequately address~~  
9 ~~is subject to appeal under section 290.1. The state~~  
10 ~~board shall exercise broad discretion to achieve just~~  
11 ~~and equitable results that are in the best interest of~~  
12 ~~the affected child or children.~~

13 13. If a request under this section is for transfer  
14 to a laboratory school, as described in chapter  
15 265, the student, who is the subject of the request,  
16 shall not be included in the basic enrollment of the  
17 student's district of residence, and the laboratory  
18 school shall report the enrollment of the student  
19 directly to the department of education management,  
20 unless the number of students from the district  
21 attending the laboratory school during the current  
22 school year, as a result of open enrollment under this  
23 section, exceeds the number of students enrolled in  
24 the laboratory school from that district during the  
25 1989-1990 school year. If the number of students  
26 enrolled in the laboratory school from a district  
27 during the current year exceeds the number of students  
28 enrolled from that district during the 1989-1990 school  
29 year, those students who represent the difference  
30 between the current and the 1988-1989 school year  
31 enrollment figures shall be included in the basic  
32 enrollment of the students' districts of residence  
33 and the districts shall retain any moneys received  
34 as a result of the inclusion of the student in the  
35 district enrollment. The total number of students  
36 enrolled at a laboratory school during a school year  
37 shall not exceed six hundred seventy students. The  
38 regents institution operating the laboratory school and  
39 the board of directors of the school district in the  
40 community in which the regents institution is located  
41 shall develop a student transfer policy designed to  
42 protect and promote the quality and integrity of the  
43 teacher education program at the laboratory school, the  
44 viability of the education program of the local school  
45 district in which the regents institution is located,  
46 and to indicate the order in which and reasons why  
47 requests to transfer to a laboratory school shall be  
48 considered. A laboratory school may deny a request for  
49 transfer under the policy. ~~A denial of a request to~~  
50 ~~transfer under this subsection is not subject to appeal~~

1 ~~under section 290.1.~~

2 Sec. 61. Section 282.18, subsection 15, Code 2013,  
3 is amended by striking the subsection.

4 Sec. 62. Section 283.1, Code 2013, is amended to  
5 read as follows:

6 283.1 Federal funds accepted.

7 The director of the department of ~~education~~  
8 management is the "state educational authority" for  
9 the purpose of accepting and administering funds  
10 appropriated by Congress for educational purposes  
11 and the funds shall be deposited with the treasurer  
12 of state and disbursed through the department of  
13 administrative services on vouchers audited as provided  
14 by law. When state matching funds are required as  
15 a condition to the acceptance of federal funds, the  
16 director of the department of ~~education~~ management may  
17 make expenditures for matching only from funds provided  
18 by the legislature for that purpose. However, when  
19 federal funds may be matched with expenditures from  
20 funds appropriated for the general operation of the  
21 department of ~~education~~ management, this may be done  
22 with the approval of the legislative council.

23 Sec. 63. NEW SECTION. 283A.1A Transfer of  
24 authority and duties.

25 1. Beginning July 1, 2014, the authority and  
26 duties of the department of education, the state board  
27 of education, and the director of the department of  
28 education under this chapter, to the extent feasible,  
29 shall be transferred to the boards of directors  
30 for the respective school districts in the state.  
31 Accordingly, beginning July 1, 2014, all references  
32 to the department of education, the state board of  
33 education, and the director of the department of  
34 education under this chapter and references to the  
35 department of education, the state board of education,  
36 and the director of the department of education under  
37 other provisions of law relating to this chapter shall  
38 mean the applicable board of directors of the school  
39 district.

40 2. Any rule, regulation, form, order, or directive  
41 promulgated by the department of education, the state  
42 board of education, or the director of the department  
43 of education relative to the provisions of this chapter  
44 in existence at the conclusion of the fiscal year  
45 beginning July 1, 2013, shall continue in full force  
46 and effect.

47 Sec. 64. Section 283A.3, Code 2013, is amended to  
48 read as follows:

49 283A.3 Expenditure of federal funds.

50 The director of the department of ~~education~~

1 management shall accept and direct the disbursement  
2 of funds appropriated by any Act of Congress and  
3 appropriated to the state of Iowa for use in connection  
4 with school breakfast or lunch programs. The director  
5 shall deposit the funds with the treasurer of the  
6 state of Iowa, who shall make disbursements upon the  
7 direction of the director.

8 Sec. 65. NEW SECTION. 284.1A Transfer of authority  
9 and duties.

10 1. Beginning July 1, 2014, the authority and  
11 duties of the department of education, the state board  
12 of education, and the director of the department of  
13 education under this chapter, to the extent feasible,  
14 shall be transferred to the boards of directors  
15 for the respective school districts in the state.  
16 Accordingly, beginning July 1, 2014, all references  
17 to the department of education, the state board of  
18 education, and the director of the department of  
19 education under this chapter and references to the  
20 department of education, the state board of education,  
21 and the director of the department of education under  
22 other provisions of law relating to this chapter shall  
23 mean the applicable board of directors of the school  
24 district.

25 2. Any rule, regulation, form, order, or directive  
26 promulgated by the department of education, the state  
27 board of education, or the director of the department  
28 of education relative to the provisions of this chapter  
29 in existence at the conclusion of the fiscal year  
30 beginning July 1, 2013, shall continue in full force  
31 and effect.

32 Sec. 66. NEW SECTION. 284A.1A Transfer of  
33 authority and duties.

34 1. Beginning July 1, 2014, the authority and  
35 duties of the department of education, the state board  
36 of education, and the director of the department of  
37 education under this chapter, to the extent feasible,  
38 shall be transferred to the boards of directors  
39 for the respective school districts in the state.  
40 Accordingly, beginning July 1, 2014, all references  
41 to the department of education, the state board of  
42 education, and the director of the department of  
43 education under this chapter and references to the  
44 department of education, the state board of education,  
45 and the director of the department of education under  
46 other provisions of law relating to this chapter shall  
47 mean the applicable board of directors of the school  
48 district.

49 2. Any rule, regulation, form, order, or directive  
50 promulgated by the department of education, the state

1 board of education, or the director of the department  
2 of education relative to the provisions of this chapter  
3 in existence at the conclusion of the fiscal year  
4 beginning July 1, 2013, shall continue in full force  
5 and effect.

6 Sec. 67. NEW SECTION. 285.7 Transfer of authority  
7 and duties.

8 1. Beginning July 1, 2014, the authority and  
9 duties of the department of education, the state board  
10 of education, and the director of the department of  
11 education under this chapter, to the extent feasible,  
12 shall be transferred to the boards of directors  
13 for the respective school districts in the state.  
14 Accordingly, beginning July 1, 2014, all references  
15 to the department of education, the state board of  
16 education, and the director of the department of  
17 education under this chapter and references to the  
18 department of education, the state board of education,  
19 and the director of the department of education under  
20 other provisions of law relating to this chapter shall  
21 mean the applicable board of directors of the school  
22 district.

23 2. Any rule, regulation, form, order, or directive  
24 promulgated by the department of education, the state  
25 board of education, or the director of the department  
26 of education relative to the provisions of this chapter  
27 in existence at the conclusion of the fiscal year  
28 beginning July 1, 2013, shall continue in full force  
29 and effect.

30 Sec. 68. Section 291.11, Code 2013, is amended to  
31 read as follows:

32 291.11 Officers reported.

33 The secretary shall report to the director of the  
34 department of ~~education~~ management, the county auditor,  
35 and county treasurer the name and post office address  
36 of the president, treasurer and secretary of the board  
37 as soon as practicable after the qualification of each.

38 Sec. 69. NEW SECTION. 292.1A Transfer of authority  
39 and duties.

40 1. Beginning July 1, 2014, the authority and duties  
41 of the department of education under this chapter  
42 shall be transferred to the department of revenue.  
43 Accordingly, beginning July 1, 2014, all references  
44 to the department of education under this chapter and  
45 references to the department of education under other  
46 provisions of law relating to this chapter shall mean  
47 the department of revenue.

48 2. Any moneys remaining in any account or fund  
49 under the control of the department of education at the  
50 conclusion of the fiscal year beginning July 1, 2013,

1 relative to the provisions of this chapter shall be  
2 transferred to the control of the department of revenue  
3 for such purposes. Notwithstanding section 8.33, the  
4 moneys transferred in accordance with this subsection  
5 shall not revert to the account or fund from which  
6 appropriated or transferred.

7 3. Any contract entered into by the department of  
8 education relating to the provisions of this chapter in  
9 effect at the conclusion of the fiscal year beginning  
10 July 1, 2013, shall continue in full force and effect  
11 pending transfer of such contracts to the department  
12 of revenue.

13 4. Any rule, regulation, form, order, or directive  
14 promulgated by the department of education relative  
15 to the provisions of this chapter in existence at the  
16 conclusion of the fiscal year beginning July 1, 2013,  
17 shall continue in full force and effect until amended,  
18 repealed, or supplemented by affirmative action of  
19 the department of revenue under the duties and powers  
20 established in this chapter and under the procedure  
21 established in subsection 5.

22 5. In regard to updating references and format in  
23 the Iowa administrative code in order to correspond  
24 to the transferring of duties of this chapter, the  
25 administrative rules coordinator and the administrative  
26 rules review committee, in consultation with the  
27 administrative code editor, shall jointly develop  
28 a schedule for the necessary updating of the Iowa  
29 administrative code.

30 Sec. 70. Section 294.5, Code 2013, is amended to  
31 read as follows:

32 294.5 Reports.

33 The teacher shall file with the school  
34 superintendent ~~and the director of the department of~~  
35 ~~education~~ such reports and in such manner as may be  
36 required.

37 Sec. 71. Section 296.3, Code 2013, is amended to  
38 read as follows:

39 296.3 Election called.

40 Within ten days of receipt of a petition filed under  
41 section 296.2, the president of the board of directors  
42 shall call a meeting of the board. The meeting shall  
43 be held within thirty days after the petition was  
44 received. At the meeting, the board shall call the  
45 election, fixing the time of the election, which  
46 may be at the time and place of holding the regular  
47 school election. However, if the board determines by  
48 unanimous vote that the proposition or propositions  
49 requested by a petition to be submitted at an election  
50 are grossly unrealistic or contrary to the needs of



1 the school district, no election shall be called. If  
2 more than one petition has been received by the time  
3 the board meets to consider the petition triggering  
4 the meeting, the board shall act upon the petitions in  
5 the order they were received at the meeting called to  
6 consider the initial petition. ~~The decision of the~~  
7 ~~board may be appealed to the state board of education~~  
8 ~~as provided in chapter 290.~~ The president shall notify  
9 the county commissioner of elections of the time of the  
10 election.

11 Sec. 72. NEW SECTION. 297.37 Transfer of authority  
12 and duties.

13 1. Beginning July 1, 2014, the authority and duties  
14 of the department of education and the director of  
15 the department of education under this chapter shall  
16 be transferred to the department of administrative  
17 services and the director of the department of  
18 administrative services. Accordingly, beginning  
19 July 1, 2014, all references to the department of  
20 education and the director of the department of  
21 education under this chapter and references to the  
22 department of education and the director of the  
23 department of education under other provisions of law  
24 relating to this chapter shall mean the department  
25 of administrative services or the director of the  
26 department of administrative services.

27 2. Any rule, regulation, form, order, or directive  
28 promulgated by the department of education or the  
29 director of the department of education relative to  
30 the provisions of this chapter in existence at the  
31 conclusion of the fiscal year beginning July 1, 2013,  
32 shall continue in full force and effect.

33 Sec. 73. Section 298A.8, Code 2013, is amended to  
34 read as follows:

35 298A.8 Student activity fund.

36 The student activity fund is a special revenue  
37 fund. A student activity fund must be established  
38 in any school corporation receiving money from  
39 student-related activities such as admissions, activity  
40 fees, student dues, student fund-raising events, or  
41 other student-related cocurricular or extracurricular  
42 activities. Moneys in this fund shall be used to  
43 support only the cocurricular program ~~defined in~~  
44 ~~department of education administrative rules.~~

45 Sec. 74. NEW SECTION. 299.25 Transfer of authority  
46 and duties.

47 1. Beginning July 1, 2014, the authority and  
48 duties of the department of education, the state board  
49 of education, and the director of the department of  
50 education under this chapter, to the extent feasible,

1 shall be transferred to the boards of directors  
2 for the respective school districts in the state.  
3 Accordingly, beginning July 1, 2014, all references  
4 to the department of education, the state board of  
5 education, and the director of the department of  
6 education under this chapter and references to the  
7 department of education, the state board of education,  
8 and the director of the department of education under  
9 other provisions of law relating to this chapter shall  
10 mean the applicable board of directors of the school  
11 district.

12 2. Any rule, regulation, form, order, or directive  
13 promulgated by the department of education, the state  
14 board of education, or the director of the department  
15 of education relative to the provisions of this chapter  
16 in existence at the conclusion of the fiscal year  
17 beginning July 1, 2013, shall continue in full force  
18 and effect.

19 Sec. 75. NEW SECTION. 299A.1A Transfer of  
20 authority and duties.

21 1. Beginning July 1, 2014, the authority and  
22 duties of the department of education, the state board  
23 of education, and the director of the department of  
24 education under this chapter, to the extent feasible,  
25 shall be transferred to the boards of directors  
26 for the respective school districts in the state.  
27 Accordingly, beginning July 1, 2014, all references  
28 to the department of education, the state board of  
29 education, and the director of the department of  
30 education under this chapter and references to the  
31 department of education, the state board of education,  
32 and the director of the department of education under  
33 other provisions of law relating to this chapter shall  
34 mean the applicable board of directors of the school  
35 district.

36 2. Any rule, regulation, form, order, or directive  
37 promulgated by the department of education, the state  
38 board of education, or the director of the department  
39 of education relative to the provisions of this chapter  
40 in existence at the conclusion of the fiscal year  
41 beginning July 1, 2013, shall continue in full force  
42 and effect.

43 Sec. 76. NEW SECTION. 301.1A Transfer of authority  
44 and duties.

45 1. Beginning July 1, 2014, the authority and  
46 duties of the department of education, the state board  
47 of education, and the director of the department of  
48 education under this chapter, to the extent feasible,  
49 shall be transferred to the boards of directors  
50 for the respective school districts in the state.



1 Accordingly, beginning July 1, 2014, all references  
2 to the department of education, the state board of  
3 education, and the director of the department of  
4 education under this chapter and references to the  
5 department of education, the state board of education,  
6 and the director of the department of education under  
7 other provisions of law relating to this chapter shall  
8 mean the applicable board of directors of the school  
9 district.

10 2. Any rule, regulation, form, order, or directive  
11 promulgated by the department of education, the state  
12 board of education, or the director of the department  
13 of education relative to the provisions of this chapter  
14 in existence at the conclusion of the fiscal year  
15 beginning July 1, 2013, shall continue in full force  
16 and effect.

17 Sec. 77. REPEAL. Sections 260C.6, 276.4, and  
18 291.10, Code 2013, are repealed.

19 Sec. 78. REPEAL. Chapters 256, 256A, 256G, and  
20 290, Code 2013, are repealed.

21 Sec. 79. EFFECTIVE DATE. This division of this Act  
22 takes effect July 1, 2014.

23 DIVISION II

24 CORRESPONDING AMENDMENT LEGISLATION

25 Sec. 80. CORRESPONDING AMENDMENTS  
26 LEGISLATION. Additional legislation is required  
27 to fully implement division I of this Act. The  
28 director of the department of education shall, in  
29 compliance with section 2.16, prepare draft legislation  
30 for submission to the legislative services agency, as  
31 necessary, to implement the transition and elimination  
32 of authority and duties under division I of this Act  
33 and to implement the transition and elimination of  
34 authority and duties under other provisions of law  
35 including but not limited to the duties and authority  
36 of the department of education, the state board of  
37 education, the director of the department of education,  
38 and any division, commission, or subunit of such  
39 entities or offices under chapters 7A, 7E, 8A, 8D, 8F,  
40 11, 12, 15, 15H, 16, 19B, 22, 48A, 68B, 73, 80E, 84A,  
41 85, 96, 99B, 125, 135, 139A, 141A, 142A, 154B, 154F,  
42 161A, 190A, 216A, 218, 220A, 225B, 225C, 232, 234, 237,  
43 237A, 237B, 239B, 241, 249A, 257, 261B, 307A, 321,  
44 321J, 322, 350, 423E, 423F, 455A, 455E, 473, 514I, 714,  
45 and 904.

46 DIVISION III

47 EDUCATION FINANCE AND

48 EDUCATION SAVINGS GRANTS

49 Sec. 81. Section 8.6, Code 2013, is amended by  
50 adding the following new subsection:

1     NEW SUBSECTION. 18. Education savings grant  
2 applications. Adopt rules relating to applications  
3 for an education savings grant pursuant to section  
4 257.11B, including application processing timelines,  
5 and required information for submission by a parent or  
6 guardian.

7     Sec. 82. NEW SECTION. 257.1A Transfer of authority  
8 and duties.

9     1. Beginning July 1, 2014, the authority and  
10 duties of the department of education, the state board  
11 of education, and the director of the department of  
12 education under this chapter shall be transferred to  
13 the department of management and the director of the  
14 department of management. Accordingly, beginning July  
15 1, 2014, all references to the department of education  
16 under this chapter and references to the department of  
17 education under other provisions of law relating to  
18 this chapter shall mean the department of management  
19 and all references to the state board of education or  
20 the director of the department of education under this  
21 chapter or other provisions of law relating to this  
22 chapter shall mean the director of the department of  
23 management.

24     2. Any moneys remaining in any account or fund  
25 under the control of the department of education at  
26 the conclusion of the fiscal year beginning July 1,  
27 2013, relative to the provisions of this chapter shall  
28 be transferred to the control of the department of  
29 management for such purposes. Notwithstanding section  
30 8.33, the moneys transferred in accordance with this  
31 subsection shall not revert to the account or fund from  
32 which appropriated or transferred.

33     3. Any contract entered into by the department of  
34 education relating to the provisions of this chapter in  
35 effect at the conclusion of the fiscal year beginning  
36 July 1, 2013, shall continue in full force and effect  
37 pending transfer of such contracts to the department of  
38 management.

39     4. Any rule, regulation, form, order, or directive  
40 promulgated by the department of education relative  
41 to the provisions of this chapter in existence at the  
42 conclusion of the fiscal year beginning July 1, 2013,  
43 shall continue in full force and effect until amended,  
44 repealed, or supplemented by affirmative action of the  
45 department of management under the duties and powers  
46 established in this chapter and under the procedure  
47 established in subsection 5.

48     5. In regard to updating references and format in  
49 the Iowa administrative code in order to correspond  
50 to the transferring of duties of this chapter, the

1 administrative rules coordinator and the administrative  
2 rules review committee, in consultation with the  
3 administrative code editor, shall jointly develop  
4 a schedule for the necessary updating of the Iowa  
5 administrative code.

6 Sec. 83. NEW SECTION. 257.11B Education savings  
7 grant program.

8 1. Pupils eligible to enroll in grades kindergarten  
9 through twelve or eligible to participate in a  
10 preschool program under chapter 256C and attending  
11 a nonpublic school, receiving competent private  
12 instruction under chapter 299A, or receiving private  
13 preschool instruction shall be eligible to receive an  
14 education savings grant in the manner provided in this  
15 section for school years beginning on or after July 1,  
16 2014. Education savings grants shall be made available  
17 to parents and guardians in the manner authorized  
18 under subsection 4, paragraph "c", for the payment  
19 of qualified education expenses as provided in this  
20 section.

21 2. a. (1) By January 31 preceding the school year  
22 for which the education savings grant is requested, the  
23 parent or guardian of the pupil requesting to receive  
24 an education savings grant shall submit an application  
25 to the department of management, on application forms  
26 developed by the department of management, indicating  
27 that the parent or guardian intends to enroll the  
28 pupil in a nonpublic school, provide competent private  
29 instruction for the pupil under chapter 299A, or  
30 provide private preschool instruction.

31 (2) In addition to such information deemed  
32 appropriate by the department of management, the  
33 application shall require certification from the  
34 nonpublic school of the pupil's enrollment for the  
35 following school year or a statement indicating the  
36 parent or guardian's intent to provide or arrange for  
37 competent private instruction or private preschool  
38 instruction for the pupil for the following school  
39 year.

40 b. By March 1 preceding the school year for  
41 which the education savings grant is requested, the  
42 department of management shall notify the parent or  
43 guardian of each pupil who is approved to receive an  
44 education savings grant and the amount of the grant.

45 c. Education savings grants shall only be approved  
46 for one school year and applications must be submitted  
47 under paragraph "a" for education savings grants in  
48 subsequent school years.

49 3. a. The department of management shall assign  
50 each pupil an education savings grant in an amount

1 equal to the statewide average state foundation aid per  
2 pupil in the same school year. However, for a pupil  
3 that is eligible to participate in a preschool program  
4 under chapter 256C, the amount of the grant shall be an  
5 amount equal to fifty percent of the regular program  
6 state cost per pupil for the same school year.

7     b. The department of management shall on July  
8 1 following the determination of the amount of the  
9 education savings grant for each approved pupil  
10 transfer such amounts to the pupil's account in  
11 the education savings grant fund established under  
12 subsection 4. Such amount shall be available to the  
13 pupil's parent or guardian in the manner authorized  
14 under subsection 4, paragraph "c", for the payment of  
15 qualified educational expenses incurred by such persons  
16 for the pupil during that school year.

17     4. An education savings grant fund is created in  
18 the state treasury under the control of the department  
19 of management consisting of moneys appropriated to  
20 the department for the purpose of providing education  
21 savings grants under this section. For the fiscal  
22 year commencing July 1, 2014, and each succeeding  
23 fiscal year, there is appropriated from the general  
24 fund of the state to the department of management to  
25 be credited to the fund the amount necessary to pay  
26 all education savings grants approved for that fiscal  
27 year. The director of the department of management has  
28 all powers necessary to carry out and effectuate the  
29 purposes, objectives, and provisions of this section  
30 pertaining to the fund, including the power to do all  
31 of the following:

32     a. Make and enter into contracts necessary for the  
33 administration of the fund.

34     b. Procure insurance against any loss in connection  
35 with the assets of the fund or require a surety bond.

36     c. Contract with a private financial management  
37 firm to manage the fund, in collaboration with the  
38 treasurer of state, including providing for the  
39 disbursement of education savings grants in the form  
40 of an electronic debit card or checks that are payable  
41 directly from the pupil's account within the fund.

42     d. Conduct audits or other review necessary to  
43 properly administer the program.

44     e. Adopt rules pursuant to chapter 17A for the  
45 administration of the fund and accounts within the  
46 fund.

47     5. a. For each pupil approved for an education  
48 savings grant, the department of management shall  
49 establish an account for that pupil in the education  
50 savings grant fund. The amount of the pupil's

1 education savings grant determined under subsection 3  
2 shall be deposited into the pupil's account on July  
3 1 and such amount shall be immediately available for  
4 the payment of qualified education expenses incurred  
5 by the parent or guardian for the pupil during that  
6 fiscal year using the payment method authorized under  
7 subsection 4, paragraph "c".

8 b. A nonpublic school or other entity that accepts  
9 payment from a parent or guardian using funds from a  
10 pupil's account in the education savings grant fund  
11 shall not refund, rebate, or share any portion of such  
12 payment with the parent, guardian, or pupil.

13 c. Moneys remaining in a pupil's account upon  
14 conclusion of the fiscal year shall remain in the  
15 pupil's account within the education savings grant  
16 fund for the payment of qualified educational expenses  
17 in future fiscal years or for the payment of higher  
18 education costs under subsection 8.

19 6. For purposes of this section, "qualified  
20 educational expense" includes tuition and fees at a  
21 nonpublic school or nonpublic preschool, textbooks,  
22 fees or payments for tutoring or cognitive skills  
23 training, curriculum materials, tuition or fees  
24 for nonpublic online education programs, education  
25 materials and services for pupils with disabilities,  
26 standardized test fees, fees required by the department  
27 not to exceed for each grant recipient five percent of  
28 the total grant amount in any fiscal year, and other  
29 expenses incurred by the parent or guardian that are  
30 directly related to the education of the pupil at a  
31 nonpublic preschool or a nonpublic school, including  
32 a nonpublic school accredited by an independent  
33 accrediting agency approved by the department of  
34 management, or directly related to providing competent  
35 private instruction for the pupil under chapter 299A  
36 or private preschool instruction. The cost of one  
37 computer or other portable computing device shall be  
38 allowed as a qualified educational expense for a pupil  
39 if such a purchase has not been made using funds from  
40 that pupil's account in either of the two immediately  
41 preceding fiscal years. "Qualified educational  
42 expenses" do not include transportation costs for the  
43 pupil, the cost of food or refreshments consumed by the  
44 pupil, the cost of clothing for the pupil, or the cost  
45 of disposable materials including but not limited to  
46 paper, notebooks, pencils, pens, and art supplies.

47 7. A person who makes a false claim for the purpose  
48 of obtaining an education savings grant provided for  
49 in this section or who knowingly receives the grant or  
50 makes a payment from an account within the education

1 savings grant fund without being legally entitled to it  
2 is guilty of a fraudulent practice. The false claim  
3 for an education savings grant or a payment from an  
4 account shall be disallowed and if amounts from the  
5 grant have been disbursed from the applicable account  
6 in the education savings grant fund, the department of  
7 management shall initiate legal proceedings to recover  
8 such amounts. A parent or guardian, or a pupil for  
9 purposes of subsection 8, who violates this subsection  
10 is prohibited from participating in the education  
11 savings grant program in the future.

12 8. For each pupil with a positive balance in the  
13 pupil's account in the education savings grant fund  
14 upon graduation from high school or completion of an  
15 equivalent level of competent private instruction  
16 under chapter 299A, the department of management shall  
17 maintain such account in the fund until the pupil is  
18 twenty-five years of age. Following graduation from  
19 high school until the pupil is twenty-five years of  
20 age, moneys in the pupil's account may be used for  
21 higher education costs, as defined in section 12D.1,  
22 subsection 2, incurred by the pupil while attending an  
23 institution of higher education under the control of  
24 the state board of regents, a community college located  
25 in this state, or a private college or university  
26 located in this state. Payments from a pupil's account  
27 for higher education costs shall be made in the same  
28 manner as payments for qualified educational expenses  
29 under subsection 5. Moneys in a pupil's account when  
30 the pupil turns twenty-five years of age shall be  
31 transferred by the department of management for deposit  
32 in the general fund of the state.

33 9. This section shall not be construed to authorize  
34 this state or any political subdivision of this state  
35 to exercise authority over any nonpublic school or  
36 pupil receiving competent private instruction under  
37 chapter 299A or construed to require a nonpublic  
38 school to modify its admissions or educational  
39 program in order to receive payment from a parent or  
40 guardian using funds from a pupil's account in the  
41 education savings grant fund. A nonpublic school or  
42 entity providing competent private instruction under  
43 chapter 299A, that accepts payment from a parent or  
44 guardian using funds from a pupil's account in the  
45 education savings grant fund is not an agent of this  
46 state or other political subdivision of this state.  
47 Rules adopted by the department of management to  
48 implement this section that impose an undue burden on a  
49 nonpublic school or entity providing competent private  
50 instruction under chapter 299A are invalid.



1 Sec. 84. APPLICABILITY. This division of this  
2 Act applies to school budget years and fiscal years  
3 beginning on or after July 1, 2014.

4 Sec. 85. EFFECTIVE DATE. The section of this  
5 division of this Act enacting section 257.1A takes  
6 effect July 1, 2014.

7 DIVISION IV

8 CORRESPONDING AMENDMENTS LEGISLATION

9 Sec. 86. CORRESPONDING AMENDMENTS  
10 LEGISLATION. Additional legislation is required  
11 to fully implement the section of division III of  
12 this Act enacting section 257.1A. The director of  
13 the department of education shall, in compliance with  
14 section 2.16, prepare draft legislation for submission  
15 to the legislative services agency, as necessary, to  
16 implement the transition and elimination of authority  
17 and duties of the department of education, the state  
18 board of education, and director of the department of  
19 education under the section of division III of this Act  
20 enacting section 257.1A and to implement the transition  
21 and elimination of authority and duties under other  
22 provisions of law.>

23 2. Title page, by striking lines 1 through 6 and  
24 inserting:

25 <An Act relating to education by abolishing  
26 the department of education and the state board  
27 of education, modifying the duties and authority  
28 of certain state and local governmental entities,  
29 establishing an education savings grant program and  
30 fund, making appropriations, providing penalties, and  
31 including effective date and applicability>

**By** BRAD ZAUN

SENATE FILE 423

S-3069

1 Amend the amendment, S-3066, to Senate File 423 as  
2 follows:  
3 1. Page 1, by striking lines 9 and 10 and  
4 inserting:  
5 <\_\_\_\_. Page 7, by striking lines 27 through 29 and  
6 inserting <and support system for teachers aligned with  
7 the state models and comparable systems>>  
8 2. Page 1, line 38, by striking <and> and inserting  
9 <and that is>  
10 3. Page 1, line 40, by striking <standards,> and  
11 inserting <standards>  
12 4. Page 2, line 27, by striking <12 and> and  
13 inserting <12,>  
14 5. Page 2, line 28, after <section> by inserting <,  
15 and shall provide for a minimum salary and a residency  
16 as provided in section 284.16, subsection 2, paragraph  
17 "a">  
18 6. Page 2, line 48, by striking <selection> and  
19 inserting <review>  
20 7. Page 3, by striking lines 9 through 11 and  
21 inserting <for initial or renewal leadership role  
22 assignments which are submitted to the school's  
23 or school district's administration and shall make  
24 recommendations>  
25 8. Page 3, line 26, after <administration> by  
26 inserting <, in consultation with the review council,>  
27 9. Page 3, by striking lines 31 through 33 and  
28 inserting <role may submit to the school's or the  
29 school district's administration an application  
30 for assignment in a new role or for reassignment  
31 as appropriate. The administration shall share  
32 the application with the review council constituted  
33 pursuant to subsection 3, paragraph "a".>  
34 10. Page 3, line 50, after <284.19.> by inserting  
35 <The commission may deny early implementation of an  
36 otherwise qualified state model or comparable system  
37 if the amount specified for the teacher leadership  
38 supplement state cost per pupil pursuant to section  
39 257.9, subsection 11, and amount specified for the  
40 teacher leadership supplement district cost per  
41 pupil pursuant to section 257.10, subsection 12, is  
42 insufficient to fully fund the teacher leadership  
43 supplement for all eligible school districts.>  
44 11. Page 4, by striking lines 11 through 15 and  
45 inserting <exceed the moneys received by the school  
46 district under section 257.10, subsection 12. However,  
47 if the school district's implementation costs exceed  
48 such funds, the school district>  
49 12. Page 4, by striking lines 19 and 20 and  
50 inserting <Iowa teacher as provided in section 284.16,

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1 subsection 2, paragraph "a", subparagraph (1).>  
2 13. Page 4, line 22, by striking <criteria and>  
3 14. Page 5, by striking lines 17 through 24 and  
4 inserting <under section 257.10, subsection 12. In  
5 addition, the commission shall review>  
6 15. Page 10, line 40, by striking <school district>  
7 and inserting <review council>  
8 16. Page 10, by striking lines 44 through 46 and  
9 inserting <career II teacher. Beginning July 1, 2014,  
10 the annual teacher leadership supplement paid to a  
11 first-year career II teacher shall be five thousand  
12 dollars.>  
13 17. Page 11, line 12, after <coach> by inserting  
14 <in addition to the normal teaching load>  
15 18. Page 11, line 19, by striking <a teacher> and  
16 inserting <one or more teachers>  
17 19. Page 11, line 24, by striking <teacher being  
18 coached desires> and inserting <teachers being coached  
19 desire>  
20 20. Page 11, line 30, by striking <teacher> and  
21 inserting <teachers>  
22 21. Page 11, line 37, by striking <panel> and  
23 inserting <council>  
24 22. By striking page 11, line 47, through page 12,  
25 line 5, and inserting:  
26 <(2) Beginning July 1, 2014, the annual teacher  
27 leadership supplement paid to a first-year advanced  
28 teacher shall be thirteen thousand five hundred  
29 dollars.>  
30 23. Page 12, by striking lines 39 through 43.  
31 24. Page 13, line 26, by striking <teacher being  
32 coached desires> and inserting <teachers being coached  
33 desire>  
34 25. Page 13, line 32, by striking <teacher> and  
35 inserting <teachers>  
36 26. Page 13, line 41, after <employ> by inserting  
37 <at least>  
38 27. Page 13, by striking lines 48 through 50 and  
39 inserting <leader shall at a minimum receive>  
40 28. Page 14, line 5, after <contract> by inserting  
41 <at the applicable per diem rate>  
42 29. Page 14, line 12, by striking <model> and  
43 inserting <career>  
44 30. Page 14, line 20, by striking <Daily observe>  
45 and inserting <Observe>  
46 31. Page 14, by striking lines 22 through 25.  
47 32. Page 14, lines 26 and 27, by striking  
48 <Routinely use sustained coaching cycles to support>  
49 and inserting <Support>  
50 33. Page 14, by striking lines 30 through 36.

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Page 3

- 1 34. Page 15, by striking lines 27 through 31.
- 2 35. Page 15, line 33, after <of> by inserting
- 3 <teaching experience and one year of teaching>
- 4 36. Page 16, after line 10 by inserting:
- 5 <\_\_\_\_. Page 37, line 30, by striking <or> and
- 6 inserting <and>>
- 7 37. By renumbering, redesignating, and correcting
- 8 internal references as necessary.

**By** HERMAN C. QUIRMBACH

**S-3069** FILED MARCH 26, 2013

ADOPTED

S-3071

1 Amend Senate File 423 as follows:

2 1. Page 46, after line 27 by inserting:

3 <DIVISION \_\_\_\_

4 PARENT LIAISON COUNSELOR PILOT PROGRAM

5 Sec. \_\_\_\_\_. NEW SECTION. 280.30 Parent liaison  
6 counselor pilot program.

7 1. A parent liaison counselor pilot program is  
8 established to be administered by the department of  
9 education. The goals of the program shall be to raise  
10 student achievement, as measured by increasing high  
11 school graduation rates, increasing the percentage of  
12 high school graduates who are qualified to enroll in a  
13 college or university, and increasing the percentage of  
14 students who successfully complete college preparatory  
15 coursework while enrolled in high school. The  
16 department of education shall adopt measures which  
17 reflect the goals of the program for the purpose of  
18 assessing the effectiveness of the program.

19 2. A school district identified by the department  
20 of education as a persistently lowest-achieving school  
21 may participate in the program and shall employ one  
22 parent liaison counselor. A parent liaison counselor  
23 shall be a guidance counselor licensed under chapter  
24 272 who is currently employed by the school district.  
25 The guidance counselor shall be issued a full-time  
26 contract for the full school year. The additional  
27 contract days shall be used to administer the program.

28 3. A parent liaison counselor shall have the  
29 following duties:

30 a. Meeting and working with targeted students  
31 and the parents of targeted students, whether at a  
32 student's home or in a student's school, regarding  
33 course selection, career planning, and postsecondary  
34 preparation.

35 b. For targeted students in middle school, focusing  
36 primarily on helping targeted students and the parents  
37 of targeted students with advance planning and course  
38 selection for high school.

39 4. For purposes of this section, targeted students  
40 are students who have unrealized academic potential and  
41 whose circumstances inhibit their academic performance,  
42 including but not limited to students who are limited  
43 English proficient, students in special education,  
44 students in individualized education programs, students  
45 from families with a family income at or below two  
46 hundred percent of the federal poverty level as defined  
47 by the most recently revised poverty income guidelines  
48 published by the United States department of health  
49 and human services, students with ongoing attendance  
50 issues, and other at-risk student populations

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**S-3071**

Page 2

- 1 identified by the department of education.
- 2 5. The department of education shall submit a
- 3 report to the general assembly, annually by December
- 4 15, on the parent liaison counselor pilot program.
- 5 6. This section is repealed June 30, 2016.>
- 6 2. By renumbering as necessary.

**By** JONI K. ERNST

**S-3071** FILED MARCH 26, 2013

ADOPTED

**SENATE FILE 423**

**S-3072**

- 1 Amend Senate File 423 as follows:
- 2 1. Page 1, line 7, after <minimum> by inserting
- 3 <days or>
- 4 2. Page 1, line 32, by striking <days> and
- 5 inserting <days or>
- 6 3. Page 2, line 12, after <than> by inserting <one
- 7 hundred eighty days, except as provided in subsection
- 8 3, or>
- 9 4. Page 2, line 16, before <hours> by inserting
- 10 <days or>
- 11 5. Page 3, line 5, by striking <days> and inserting
- 12 <days or>

**By** HERMAN C. QUIRMBACH

**S-3072** FILED MARCH 26, 2013

ADOPTED, RECONSIDERED & ADOPTED

SENATE FILE 423

S-3073

1 Amend Senate File 423 as follows:

2 1. Page 41, after line 2 by inserting:

3 <Sec. \_\_\_\_\_. NEW SECTION. 279.9C School safety plan.

4 Each board of directors of a school district shall  
5 develop and implement a comprehensive emergency  
6 management plan that addresses school safety, security  
7 procedures, and emergency guidelines relating to school  
8 shootings, assaults, and other incidences that threaten  
9 the safety and security of school students and school  
10 employees. The emergency management plan shall include  
11 training procedures for teachers and other school  
12 employees and students and shall also include a plan to  
13 develop and implement school-community partnerships,  
14 including mental health service partnerships, in the  
15 local community. The emergency management plan shall  
16 authorize all school employees with a valid permit to  
17 carry weapons to carry a weapon on school grounds.>

18 2. By renumbering as necessary.

**By** KENT SORENSON  
RICK BERTRAND  
MARK CHELGREN  
JAKE CHAPMAN  
JACK WHITVER  
ROBY SMITH  
JONI ERNST  
MARK SEGEBART  
JERRY BEHN  
TIM KAPUCIAN

DAVID JOHNSON  
MICHAEL BREITBACH  
DAN ZUMBACH  
NANCY J. BOETTGER  
KEN ROZENBOOM  
AMY SINCLAIR  
DENNIS GUTH  
BILL ANDERSON  
RANDY FEENSTRA  
BILL DIX

S-3073 FILED MARCH 26, 2013  
RULED OUT OF ORDER

S-3074

1 Amend Senate File 423 as follows:

2 1. Page 46, after line 27 by inserting:

3 <DIVISION \_\_\_\_

4 PRACTITIONER STAFFING REDUCTION PROVISIONS

5 Sec. \_\_\_\_\_. Section 279.13, subsection 1, paragraph  
6 a, Code 2013, is amended to read as follows:

7 a. Contracts with teachers, which for the purpose  
8 of this section means all licensed employees of a  
9 school district and nurses employed by the board,  
10 excluding superintendents, assistant superintendents,  
11 principals, and assistant principals, shall be in  
12 writing and shall state the number of contract days,  
13 the annual compensation to be paid, and any other  
14 matters as may be mutually agreed upon. The contract  
15 may include employment for a term not exceeding the  
16 ensuing school year, except as otherwise authorized.  
17 Notwithstanding any contrary provision of law, neither  
18 the employees represented by the employee organization  
19 who are teachers or principals licensed under chapter  
20 272, nor the employing school district or area  
21 education agency shall include procedures for staff  
22 reduction in the scope of negotiations. The board  
23 shall not consider seniority or academic degrees or  
24 other credentials when determining compensation or an  
25 increase in compensation for a teacher, or when making  
26 retention, promotion, dismissal, reduction-in-force,  
27 or other staffing decisions; provided, that nothing in  
28 this paragraph prohibits cost-of-living adjustments  
29 tied in whole or in part to prior compensation levels.  
30 Differentiation in teacher compensation levels may be  
31 based on whether the teacher's performance evaluation  
32 determines the teacher is a highly effective teacher  
33 and the teacher teaches in a high-demand subject area  
34 or has a hard-to-staff assignment.

35 Sec. \_\_\_\_\_. Section 279.14, Code 2013, is amended to  
36 read as follows:

37 279.14 Evaluation criteria and procedures.

38 1. Evaluation criteria and procedures. The board  
39 shall establish evaluation criteria and shall implement  
40 evaluation procedures. If an exclusive bargaining  
41 representative has been certified, the board shall  
42 negotiate in good faith with respect to evaluation  
43 procedures pursuant to chapter 20.

44 2. Standards of performance. The determination  
45 of standards of performance expected of school  
46 district personnel shall be reserved as an exclusive  
47 management right of the school board and shall not  
48 be subject to mandatory negotiations under chapter  
49 20. Notwithstanding chapter 20, objections to the  
50 procedures, use, or content of an evaluation in a

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1 teacher termination proceeding brought before the  
2 school board in a hearing held in accordance with  
3 section 279.16 or 279.27 shall not be subject to the  
4 grievance procedures negotiated in accordance with  
5 chapter 20. A school district shall not be obligated  
6 to process any evaluation grievance after service of a  
7 notice and recommendation to terminate an individual's  
8 continuing teaching contract in accordance with this  
9 chapter.

10 3. Use of evaluations. Notwithstanding any  
11 provision of law to the contrary, the board shall  
12 base decisions regarding significant differentiation  
13 in salary, retention, promotion, dismissal, and  
14 other staffing decisions including but not limited to  
15 transfers, placements, and preferences in the event  
16 of reductions in force, primarily on the results  
17 of annual performance evaluations for teachers and  
18 principals. Each teacher and principal contract issued  
19 pursuant to this chapter and each collective bargaining  
20 agreement negotiated under chapter 20 shall authorize  
21 use of evaluation results as a basis for the decisions  
22 described in this subsection. Evaluation results shall  
23 also be used to provide high-quality, individualized  
24 supports and professional development for teachers and  
25 principals.

26 Sec. \_\_\_\_\_. Section 279.27, Code 2013, is amended to  
27 read as follows:

28 279.27 Discharge of teacher – reduction in force.

29 1. Discharge. A teacher may be discharged at any  
30 time during the contract year for just cause. The  
31 superintendent or the superintendent's designee, shall  
32 notify the teacher immediately that the superintendent  
33 will recommend in writing to the board at a regular  
34 or special meeting of the board held not more than  
35 fifteen days after notification has been given to the  
36 teacher that the teacher's continuing contract be  
37 terminated effective immediately following a decision  
38 of the board. The procedure for dismissal shall  
39 be as provided in section 279.15, subsection 2, and  
40 sections 279.16 to 279.19. The superintendent may  
41 suspend a teacher under this section pending hearing  
42 and determination by the board.

43 2. Reduction-in-force criteria. Notwithstanding  
44 any provision of law to the contrary, a board shall  
45 not adopt or implement a policy that permits length of  
46 service to serve as the primary factor when conducting  
47 layoffs or a reduction in force. The board shall  
48 instead utilize a system that considers demonstrated  
49 teacher effectiveness in advancing student achievement  
50 as the primary factor when conducting a reduction



1 in force. In the event that an approved evaluation  
2 system has not been implemented, the board may adopt an  
3 interim policy for layoffs or reduction in force that  
4 is based on the following considerations:

5 a. Individual performance shall be weighted as  
6 the most significant consideration, at not less than  
7 seventy percent, in a layoff or reduction-in-force  
8 decision. Individual performance shall include  
9 evidence of increased student achievement, demonstrated  
10 pedagogical skill, and preparation to maximize  
11 instructional time as assessed by a principal,  
12 administrator, or peer evaluator.

13 b. Any record of misconduct, criminal conduct, or  
14 excessive unexcused absences in a teacher's personnel  
15 file.

16 c. Significant, relevant contributions to the  
17 effectiveness of the school and its professional  
18 staff, including but not limited to creation and  
19 implementation of a tutoring program and creation of a  
20 school enrichment program.

21 d. Relevant special training, certifications, and  
22 licenses unless otherwise prohibited under section  
23 279.13, subsection 1.

24 Sec. \_\_\_\_\_. EFFECTIVE UPON ENACTMENT. This division  
25 of this Act, being deemed of immediate importance,  
26 takes effect upon enactment.

27 Sec. \_\_\_\_\_. APPLICABILITY. This division of this Act  
28 applies immediately upon enactment and notwithstanding  
29 any provision of law to the contrary, any provision of  
30 a collective bargaining agreement negotiated by the  
31 board of directors of a school district under chapter  
32 20, or any rule or policy established by the board of  
33 directors of a school district, that is contrary to the  
34 provisions of this division of this Act is void.>

35 2. By renumbering as necessary.

**By** JAKE CHAPMAN

MARK CHELGREN

RICK BERTRAND

NANCY J. BOETTGER

DAN ZUMBACH

MARK SEGEBART

BILL DIX

JACK WHITVER

MICHAEL BREITBACH

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DAVID JOHNSON

CHARLES SCHNEIDER

SANDRA H. GREINER

DENNIS GUTH

BILL ANDERSON

KENT SORENSON

RANDY FEENSTRA

S-3075

1 Amend Senate File 423 as follows:

2 1. Page 46, after line 27 by inserting:

3 <DIVISION \_\_\_\_

4 CHARTER OR INNOVATION ZONE SCHOOL CHANGES

5 Sec. \_\_\_\_\_. Section 256F.1, subsections 1 and 2, Code  
6 2013, are amended by striking the subsections.

7 Sec. \_\_\_\_\_. Section 256F.1, subsection 4, Code 2013,  
8 is amended by striking the subsection and inserting in  
9 lieu thereof the following:

10 4. This section shall not be construed to provide  
11 a means to keep open a school that the board of  
12 directors of a school district closes. However, a  
13 school board may endorse or authorize the establishing  
14 of a charter or innovation zone school to replace the  
15 school the board closes. Applicants seeking a charter  
16 or innovation zone school under this circumstance  
17 shall demonstrate to an authorizer that the charter  
18 or innovation zone school sought is substantially  
19 different in purpose and program from the school  
20 the board closes and that the proposed charter or  
21 innovation zone school satisfies the requirements of  
22 this section. The authorizer shall not approve an  
23 application submitted under section 256F.5 if the  
24 application does not comply with this subsection.

25 Sec. \_\_\_\_\_. Section 256F.2, subsection 1, Code 2013,  
26 is amended by striking the subsection and inserting in  
27 lieu thereof the following:

28 1. "Applicant" means an entity eligible to submit  
29 to the state board an application to establish a  
30 charter or innovation zone school in accordance  
31 with this chapter. "Applicant" includes any of the  
32 following:

33 a. The board of directors of a school district.

34 b. A consortium consisting of the boards of  
35 directors of two or more school districts.

36 c. An area education agency board.

37 d. A consortium consisting of the boards of  
38 directors of an area education agency and one or more  
39 school districts, at least one of which is located  
40 within the boundaries of the area education agency.

41 e. The board of directors of a community college.

42 f. A consortium consisting of the boards of  
43 directors of a community college and one or more school  
44 districts, at least one of which is located within the  
45 boundaries of the community college.

46 g. An institution of higher education governed by  
47 the state board of regents.

48 h. A consortium consisting of an institution of  
49 higher education governed by the state board of regents  
50 and the board of directors of one or more school

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1 districts.

2 i. A consortium consisting of one or more  
3 accredited private institutions as defined in section  
4 261.9, all of which shall be exempt from taxation under  
5 section 501(c)(3) of the Internal Revenue Code, and the  
6 board of directors of one or more school districts.

7 j. A consortium consisting of the governing body  
8 of a city or county with a population over ninety-five  
9 thousand and the board of directors of one or more  
10 school districts located, at least in part, within the  
11 boundaries of the city or county.

12 k. A nonsectarian, nonreligious charitable  
13 organization that is exempt from taxation under section  
14 501(c)(3) of the Internal Revenue Code.

15 Sec. \_\_\_\_\_. Section 256F.2, Code 2013, is amended by  
16 adding the following new subsections:

17 NEW SUBSECTION. 3A. "Authorizer" means the state  
18 board, the state board of regents, or a board of  
19 directors of a community college established pursuant  
20 to chapter 260C.

21 NEW SUBSECTION. 7A. "Operator" means an applicant  
22 approved by an authorizer to charter a school under  
23 this chapter.

24 Sec. \_\_\_\_\_. Section 256F.3, subsection 2, paragraph  
25 b, Code 2013, is amended to read as follows:

26 b. To receive approval to establish an innovation  
27 zone school in accordance with this chapter, an  
28 innovation zone consortium shall submit to an  
29 authorizer an application ~~to the state board which that~~  
30 demonstrates the support of at least fifty percent of  
31 the teachers employed at each proposed innovation zone  
32 school on the date of the submission of the application  
33 and fifty percent of the parents or guardians voting  
34 whose children are enrolled at each proposed innovation  
35 zone school, provided that a majority of the parents or  
36 guardians eligible to vote participate in the ballot  
37 process, according to procedures established by rules  
38 of the ~~state board~~ authorizer.

39 Sec. \_\_\_\_\_. Section 256F.3, subsections 6 through 8,  
40 Code 2013, are amended to read as follows:

41 6. Upon approval of an application for the proposed  
42 establishment of a charter or innovation zone school,  
43 the school board shall submit an application for  
44 approval to establish the charter or innovation zone  
45 school to ~~the state board~~ an authorizer in accordance  
46 with section 256F.5. The state board may reevaluate an  
47 application approved by the state board of regents or  
48 by a local community college board pursuant to section  
49 256F.3A, subsection 1.

50 7. An application submitted ~~to the state board~~

1 pursuant to subsection 2, paragraph "b", or subsection  
2 6 shall set forth the manner in which the charter  
3 ~~school~~ or innovation zone school will provide special  
4 instruction, in accordance with section 280.4, to  
5 students who are limited English proficient. The  
6 application shall set forth the manner in which the  
7 charter ~~school~~ or innovation zone school will comply  
8 with federal and state laws and regulations relating to  
9 the federal National School Lunch Act and the federal  
10 Child Nutrition Act of 1966, 42 U.S.C. § 1751-1785, and  
11 chapter 283A. The ~~state board~~ authorizer shall approve  
12 only those applications that meet the requirements  
13 specified in section 256F.1, subsection 3, and sections  
14 256F.4 and 256F.5. The ~~state board~~ authorizer may deny  
15 an application if the ~~state board~~ authorizer deems that  
16 approval of the application is not in the best interest  
17 of the affected students.

18 8. ~~The state board shall approve not~~ Not more than  
19 ten innovation zone consortium applications shall be  
20 approved under this chapter.

21 Sec. \_\_\_\_\_. NEW SECTION. 256F.3A Duties of the  
22 department.

23 The department shall do the following:

24 1. Develop and implement an orientation program for  
25 operators. An operator shall successfully complete  
26 the orientation program prior to chartering a school  
27 pursuant to this chapter. The program shall include  
28 but not be limited to accountability requirements,  
29 reporting requirements, and financial management.  
30 If the operator does not successfully complete the  
31 orientation program in the time specified by the  
32 department, the state board shall reevaluate the  
33 operator's application and may deny the application.  
34 If the state board denies an application under this  
35 subsection, the decision of the state board is final  
36 agency action under chapter 17A.

37 2. Develop and implement or approve orientation  
38 programs for members of the boards of directors of  
39 charter or innovation zone schools, including but not  
40 limited to orientation on the charter or innovation  
41 zone school board's role and responsibilities,  
42 employment policies and practices, and financial  
43 management.

44 3. Monitor and evaluate the fiscal, operational,  
45 and student performance of the charter or innovation  
46 zone school annually and provide a written annual  
47 performance evaluation to the charter or innovation  
48 zone school board and the authorizer.

49 4. Provide, every fifth year in which a charter  
50 or innovation school is in operation and before the

1 authorizer considers renewing a charter or innovation  
2 zone school's contract, a formal written review of the  
3 annual evaluations conducted pursuant to subsection 3.  
4 Sec. \_\_\_\_\_. Section 256F.4, subsections 5 and 7, Code  
5 2013, are amended by striking the subsections.

6 Sec. \_\_\_\_\_. Section 256F.4, subsections 2, 6, and 8,  
7 Code 2013, are amended to read as follows:

8 2. Although a charter ~~school~~ or innovation zone  
9 school may elect to comply with one or more provisions  
10 of statute or administrative rule, a charter ~~school~~  
11 or innovation zone school is exempt from all statutes  
12 and administrative rules applicable to a school, a  
13 school board, or a school district, except that the  
14 charter ~~school~~ or innovation zone school shall meet the  
15 requirements of this chapter and shall do all of the  
16 following:

17 a. Meet all applicable federal, state, and local  
18 health and safety requirements and laws prohibiting  
19 discrimination on the basis of race, creed, color,  
20 sex, sexual orientation, gender identity, national  
21 origin, religion, ancestry, or disability. A charter  
22 ~~school~~ or innovation zone school shall be subject to  
23 any court-ordered desegregation plan in effect for  
24 the school district at the time the charter ~~school~~ or  
25 innovation zone school application is approved.

26 b. Operate as a nonsectarian, nonreligious public  
27 school.

28 c. Be free of tuition and application fees to  
29 Iowa resident students between the ages of five and  
30 twenty-one years.

31 d. Be subject to and comply with chapters 216 and  
32 216A relating to civil and human rights.

33 e. Provide Make special education programs and  
34 services available to students requiring special  
35 education in accordance with chapter 256B.

36 f. Be subject to the same financial audits,  
37 audit procedures, and audit requirements as a school  
38 district. The audit shall be consistent with the  
39 requirements of sections 11.6, 11.14, 11.19, 256.9,  
40 subsection 20, section 256F.8, and section 279.29,  
41 except to the extent deviations are necessary because  
42 of the program at the school. The department, the  
43 auditor of state, or the legislative services agency  
44 may conduct financial, program, or compliance audits.

45 g. Be subject eligible to and comply with  
46 participate in the student achievement and teacher  
47 quality program under chapter 284 relating to the  
48 student achievement and teacher quality program. A  
49 charter ~~school~~ or innovation zone school ~~that complies~~  
50 ~~with chapter 284 shall receive state moneys or be~~

1 eligible to receive state moneys calculated as provided  
2 in section 257.10, subsections 9 and 10, and section  
3 257.37A as if it did not operate under a charter school  
4 or innovation zone school contract.

5 h. Be Notwithstanding section 256F.13, be subject  
6 to and comply with chapters chapter 20 and 279 relating  
7 to contracts with and discharge of teachers and  
8 administrators at the discretion of the charter or  
9 innovation zone school operator.

10 i. Be subject to and comply with the provisions  
11 of chapter 285 relating to the transportation of  
12 students, except that the provisions of section 285.1,  
13 subsections 14, 15, 16, and 17, shall not apply.

14 ~~j. Meetings and records of the advisory council are~~  
15 ~~subject to the provisions of chapters 21 and 22.~~

16 j. Comply with sections 279.9, 280.17A, 280.17B,  
17 280.21B, 280.24, and 280.28, and may suspend or expel a  
18 student only as provided in section 282.4. A decision  
19 made as provided in section 282.4 is subject to appeal  
20 under section 290.1.

21 k. Comply with all statutes and administrative  
22 rules relating to student records, including but not  
23 limited to section 22.7, subsection 1, and sections  
24 256H.1, 280.19A, 280.25, and 280.29, and shall submit  
25 data to the department for purposes of the department's  
26 comprehensive management information system.

27 l. Comply with the requirements of chapter 283A.

28 m. Comply with any statewide accountability  
29 requirements in statute or administrative rule  
30 governing high school graduation requirements, the core  
31 curriculum, core content standards, and assessments.  
32 The charter school or innovation zone school shall  
33 issue high school diplomas to students who successfully  
34 meet the graduation requirements of the charter school  
35 or innovation zone school.

36 6. Notwithstanding subsection 2, a charter school  
37 or innovation zone school shall meet the requirements  
38 of section 256.7, subsection 21.

39 8. A charter school or innovation zone consortium  
40 may shall enter into contracts in accordance with  
41 chapter 26.

42 Sec. \_\_\_\_\_. Section 256F.4, subsections 3 and 4,  
43 Code 2013, are amended by striking the subsections and  
44 inserting in lieu thereof the following:

45 3. The primary focus of a charter or innovation  
46 zone school shall be to provide a comprehensive program  
47 of instruction for at least one grade or age group from  
48 five through twenty-one years of age.

49 4. A charter or innovation zone school is a  
50 municipality for the purposes of tort liability under



1 chapter 670.

2 Sec. \_\_\_\_\_. Section 256F.5, Code 2013, is amended by  
3 striking the section and inserting in lieu thereof the  
4 following:

5 256F.5 Application.

6 1. An application to operate a charter or  
7 innovation zone school pursuant to this chapter shall  
8 include but not be limited to the following:

9 a. A business plan that documents the proposed  
10 charter or innovation zone school's mission statement;  
11 school purposes; program design; description of a  
12 graduation plan, where applicable; financial plan;  
13 governance and management structure; and background  
14 and experience of the applicants and the initial board  
15 and instructional staff, plus any other information  
16 the authorizer requests. An applicant shall file a  
17 separate application for each school the applicant  
18 intends to operate.

19 b. A statement of assurances of legal compliance  
20 prescribed by the state board.

21 c. The applicant's ability to implement the  
22 procedures and satisfy the criteria for operating a  
23 school under this chapter.

24 d. The measures that will be implemented to  
25 provide for oversight of the charter or innovation  
26 zone school's academic, financial, and operational  
27 performance, and to ensure compliance with the terms  
28 of any written contract entered into by the charter or  
29 innovation zone school board of directors and the state  
30 board.

31 e. A statement of support or nonsupport from the  
32 board of directors of the school district, in which the  
33 charter or innovation zone school would be located.  
34 The statement shall be submitted to the applicant in a  
35 timely manner by the school district board.

36 f. A statement demonstrating community support.

37 g. A statement of admission policies and  
38 procedures.

39 h. The types and amounts of insurance liability  
40 coverage to be obtained by the charter or innovation  
41 zone school.

42 i. How special instruction, programs, and services  
43 for children requiring special education and English  
44 language learners under chapter 256B and section  
45 280.4 will be made available and a description of  
46 the financial parameters within which the special  
47 instruction, programs, and services will be made  
48 available.

49 2. If the applicant includes a school district  
50 pursuant to section 256F.2, subsection 1, paragraph



1 "a", "b", "d", "f", "h", "i", or "j", that will, under  
2 the plan submitted, convert an existing attendance  
3 center operated by the school district into a charter  
4 or innovation zone school in accordance with this  
5 chapter, the application shall demonstrate the support  
6 of at least fifty percent of the teachers employed  
7 at the school on the date of the submission of the  
8 application and fifty percent of the parents or  
9 guardians voting whose children are enrolled at the  
10 school, provided that a majority of the parents or  
11 guardians eligible to vote participate in the ballot  
12 process, according to procedures established by rules  
13 of the state board. Conversion of an existing school  
14 to a charter or innovation zone school if approved  
15 pursuant to this chapter shall occur at the beginning  
16 of an academic year.

17 3. a. The authorizer shall approve or disapprove  
18 an application within ninety business days of receipt  
19 of the application. However, the state board of  
20 regents or a local community college board of directors  
21 is ineligible to approve an application submitted by a  
22 consortium that includes the state board of regents or  
23 the local community college board of directors.

24 b. If the application is denied, the authorizer  
25 shall notify the applicant of the specific deficiencies  
26 in writing and the applicant shall have twenty business  
27 days to address the deficiencies to the authorizer's  
28 satisfaction.

29 (1) If the applicant addresses the deficiencies  
30 within the time specified, the authorizer shall at its  
31 next regularly scheduled meeting make a final decision  
32 to approve or disapprove the application.

33 (2) If the applicant fails to address the  
34 deficiencies in the time specified, the authorizer  
35 shall notify the applicant that the application is  
36 denied and the decision of the state board or the state  
37 board of regents is final agency action under chapter  
38 17A. If a local community college board of directors  
39 disapproves the application under this subparagraph  
40 (2), the decision may be appealed to the state board or  
41 the state board of regents.

42 c. An applicant whose application is denied  
43 pursuant to the process specified in this subsection  
44 shall not submit another application until the  
45 expiration of at least one calendar year after  
46 notification of the disapproval of the application.

47 4. The authorizer shall establish criteria for  
48 application approval that at a minimum consider the  
49 following:

50 a. A comprehensive review of the application.

1 b. The available capacity and infrastructure  
2 identified in the plan.

3 c. Contracting process specified in the plan.

4 d. Ongoing oversight and evaluation processes  
5 relating to administration and staffing.

6 e. Charter or innovation zone school contract and  
7 contract renewal criteria and processes.

8 5. Approval of an application and renewal of a  
9 charter by an authorizer shall not be conditioned upon  
10 the bargaining unit status of the employees of the  
11 school.

12 Sec. \_\_\_\_\_. Section 256F.6, Code 2013, is amended by  
13 striking the section and inserting in lieu thereof the  
14 following:

15 256F.6 Formation of school – board.

16 1. An operator who successfully completes the  
17 orientation program required pursuant to section  
18 256F.3A, subsection 1, before entering into a contract  
19 or other agreement for professional or other services,  
20 goods, or facilities, shall incorporate as a nonprofit  
21 corporation under chapter 504 and shall establish an  
22 initial board of directors composed of at least five  
23 voting members, who are not related parties, until a  
24 timely election for members of the ongoing charter  
25 or innovation zone school board of directors is held  
26 according to the school's articles and bylaws.

27 2. Members of the charter or innovation zone school  
28 board of directors established under the school's  
29 articles and bylaws shall be elected before the school  
30 completes its third year of operation. The articles  
31 and bylaws shall require that the board be composed of  
32 not less than five voting members. The articles and  
33 bylaws shall include clear policies regarding conflicts  
34 of interest, standards of responsibility, and obedience  
35 to law, fairness, and honesty.

36 3. Staff members employed at the school and all  
37 parents or guardians of children enrolled in the school  
38 are the voters eligible to elect the members of the  
39 school's board of directors.

40 4. A charter or innovation zone school shall  
41 notify eligible voters of the school board election  
42 dates at least thirty days before the election. Board  
43 elections shall be held during the school year but may  
44 not be conducted on days when the school is closed for  
45 holidays or vacations.

46 5. a. Any charter or innovation zone school board  
47 of directors shall be composed of the following:

48 (1) Notwithstanding section 279.7A, at least one  
49 licensed teacher employed at the school.

50 (2) At least one parent or legal guardian of a

1 student enrolled in the school who is not an employee  
2 of the school.

3 (3) At least one interested community member who is  
4 not employed by the school and does not have a child  
5 enrolled in the school.

6 b. The majority of members on the board may be  
7 teachers, notwithstanding section 279.7A.

8 c. The chief financial officer and the chief  
9 administrator of the charter or innovation zone school,  
10 if elected, shall only serve as ex officio, nonvoting  
11 board members.

12 d. Charter or innovation zone school employees  
13 shall not serve on the board except as provided in this  
14 subsection.

15 e. Except as provided in section 279.7A,  
16 contractors providing facilities, goods, or services  
17 to a charter or innovation zone school shall not serve  
18 on the board.

19 f. Board articles and bylaws shall outline the  
20 process and procedures for changing the board's  
21 governance model, consistent with chapter 504.

22 6. A charter or innovation zone school board  
23 may change the governance model set forth in the  
24 application or in the articles and bylaws of the  
25 charter or innovation zone school only if the change  
26 conforms with this section and a majority of the board  
27 approves the change; the licensed teachers employed  
28 by the school approve the change; and the authorizer  
29 approves the change.

30 7. a. The authorizer may permit a charter or  
31 innovation zone school board to expand the operation  
32 of the charter or innovation zone school to additional  
33 sites or to add grades at the school beyond those  
34 described in the operator's approved application only  
35 after submitting a supplemental affidavit for approval  
36 to the authorizer in a form and manner prescribed by  
37 the authorizer. The supplemental affidavit shall  
38 include the following:

39 (1) A proposed expansion plan that demonstrates  
40 need and projected enrollment.

41 (2) Documentation that the expansion is warranted,  
42 at a minimum, by longitudinal data demonstrating  
43 students' improved academic performance and growth on  
44 student assessments.

45 (3) Documentation that the school is financially  
46 sound and the financing the school needs to implement  
47 the proposed expansion exists.

48 (4) Documentation that the school has the  
49 governance structure and management capacity to carry  
50 out the expansion.

1 b. The authorizer shall have sixty business days to  
2 review and comment on the supplemental affidavit. The  
3 authorizer shall notify the charter or innovation zone  
4 school board of any deficiencies in the supplemental  
5 affidavit and the charter or innovation zone school  
6 board shall have twenty business days to address, to  
7 the authorizer's satisfaction, any deficiencies in the  
8 supplemental affidavit. The school shall not expand  
9 to additional sites or add grades until the authorizer  
10 approves the supplemental affidavit. The authorizer's  
11 approval or disapproval of a supplemental affidavit is  
12 final agency action.

13 8. The charter or innovation zone school board  
14 of directors is a government or governmental body for  
15 purposes of chapters 21 and 22.

16 9. Except as provided in subsection 5, members of  
17 the charter or innovation zone school board are subject  
18 to section 279.7A.

19 Sec. \_\_\_\_\_. Section 256F.8, Code 2013, is amended by  
20 striking the section and inserting in lieu thereof the  
21 following:

22 256F.8 Audit report.

23 1. The charter or innovation zone school shall  
24 annually submit an audit report to the authorizer by  
25 December 31.

26 2. The charter or innovation zone school, with  
27 the assistance of the auditor conducting the audit,  
28 shall include with the report a copy of all charter  
29 or innovation zone school agreements for corporate  
30 management services. If the entity that provides the  
31 professional services to the charter or innovation zone  
32 school is exempt from taxation under section 501 of  
33 the Internal Revenue Code of 1986, that entity must  
34 file with the state board by February 15 a copy of  
35 the annual return required under section 6033 of the  
36 Internal Revenue Code of 1986.

37 3. If the audit report finds that a material  
38 weakness exists in the financial reporting systems of  
39 a charter or innovation zone school, the charter or  
40 innovation zone school shall submit a written report to  
41 the authorizer at its first annual meeting explaining  
42 how the material weakness will be resolved. An auditor  
43 conducting the audit of the charter or innovation  
44 zone school, as a condition of providing financial  
45 services to a charter or innovation zone school, shall  
46 agree to make available information about a charter  
47 or innovation zone school's financial audit to the  
48 authorizer upon request.

49 Sec. \_\_\_\_\_. Section 256F.9, Code 2013, is amended by  
50 striking the section and inserting in lieu thereof the

1 following:

2 256F.9 Admission requirements.

3 1. A charter or innovation zone school may limit  
4 admission to the following:

5 a. Students within an age group or grade level.

6 b. Students who are either at risk of dropping out  
7 or have dropped out of school.

8 c. Residents of a specific geographic area in which  
9 the school is located when the majority of students  
10 served by the school are eligible for free and reduced  
11 price meals under the federal National School Lunch Act  
12 and the federal Child Nutrition Act of 1966, 42 U.S.C.  
13 § 1751-1785.

14 2. A charter or innovation zone school shall enroll  
15 an eligible student who submits a timely application,  
16 unless the number of applications exceeds the capacity  
17 of a program, class, grade level, or building. In such  
18 case, students shall be accepted by lot. The charter  
19 or innovation zone school shall develop and publish  
20 a lottery policy and process for use when accepting  
21 students by lot.

22 3. A charter or innovation zone school shall give  
23 enrollment preference to a sibling of an enrolled  
24 student and to a foster child of that student's parents  
25 and may give preference for enrolling children of the  
26 school's staff before accepting other students by lot.

27 4. A charter or innovation zone school shall  
28 not limit admission to students on the basis of  
29 intellectual ability, measures of achievement or  
30 aptitude, or athletic ability and shall not establish  
31 any criteria or requirements for admission that are  
32 inconsistent with this section.

33 5. The charter or innovation zone school shall  
34 not distribute any services or goods of value to  
35 students, parents, or guardians as an inducement, term,  
36 or condition of enrolling a student in a charter or  
37 innovation zone school.

38 Sec. \_\_\_\_\_. Section 256F.10, Code 2013, is amended by  
39 striking the section and inserting in lieu thereof the  
40 following:

41 256F.10 Employment and other operating matters.

42 A charter or innovation zone school shall employ or  
43 contract with necessary teachers and administrators,  
44 as defined by chapter 256, who hold valid licenses and  
45 endorsements to perform the particular service for  
46 which they are employed in the school. The school may  
47 employ necessary employees who are not required to hold  
48 teaching licenses to perform duties other than teaching  
49 and may contract for other services.

50 Sec. \_\_\_\_\_. NEW SECTION. 256F.11 Leased space.

1 If space to be leased is constructed as a school  
2 facility, a charter or innovation zone school may  
3 lease such space from a school district or other  
4 public organization; private, nonprofit nonsectarian  
5 organization; private property owner; or a sectarian  
6 organization.

7 Sec. \_\_\_\_\_. NEW SECTION. 256F.12 Affiliated  
8 nonprofit building corporation.

9 1. A charter or innovation zone school may organize  
10 an affiliated nonprofit building corporation to  
11 renovate or purchase an existing facility to serve  
12 as a school or to construct a new school facility as  
13 provided in subsection 4 or 5.

14 2. An affiliated nonprofit building corporation  
15 shall meet all of the following conditions:

16 a. Be incorporated under chapter 504 and comply  
17 with applicable internal revenue service regulations.

18 b. Submit annually to the authorizer a list of  
19 current board members and a copy of the corporation's  
20 annual audit.

21 3. An affiliated nonprofit building corporation  
22 shall not serve as the leasing agent for property or  
23 facilities it does not own. The state is immune from  
24 liability resulting from a contract between a charter  
25 or innovation zone school and an affiliated nonprofit  
26 building corporation.

27 4. A charter or innovation zone school may organize  
28 an affiliated nonprofit building corporation to  
29 renovate or purchase an existing facility to serve as a  
30 school if the charter or innovation zone school meets  
31 the following criteria:

32 a. Has been operating for at least five consecutive  
33 school years.

34 b. Has had a net positive unreserved general fund  
35 balance as of June 30 in the preceding five fiscal  
36 years.

37 c. Has a long-range strategic and financial plan.

38 d. Completes a feasibility study of available  
39 buildings.

40 e. Documents enrollment projections and the need  
41 to use an affiliated nonprofit building corporation to  
42 renovate or purchase an existing facility to serve as  
43 a school.

44 5. A charter or innovation zone school may organize  
45 an affiliated nonprofit building corporation to  
46 construct a new school facility if the charter school  
47 meets the following conditions:

48 a. Lacks facilities available to serve as a school.

49 b. Has been operating for at least eight  
50 consecutive school years.



1 c. Has had a net positive unreserved general fund  
2 balance as of June 30 in the preceding eight fiscal  
3 years.

4 d. Completes a feasibility study of facility  
5 options.

6 e. Has a long-range strategic and financial plan  
7 that includes enrollment projections and demonstrates  
8 the need for constructing a new school facility.

9 Sec. \_\_\_\_\_. NEW SECTION. 256F.13 Collective  
10 bargaining.

11 Employees of the board of directors of a charter  
12 or innovation zone school may, if otherwise eligible,  
13 organize under chapter 20 and comply with its  
14 provisions. The board of directors of a charter  
15 or innovation zone school is a public employer, for  
16 the purposes of chapter 20, upon formation of one  
17 or more bargaining units at the school. Bargaining  
18 units at the school shall be separate from any other  
19 units within the school district in which the charter  
20 or innovation zone school is located, except that  
21 bargaining units may remain part of the appropriate  
22 bargaining unit of the school district within which the  
23 charter or innovation zone school is located if the  
24 employees of the charter or innovation zone school, the  
25 board of directors of the charter or innovation zone  
26 school, the exclusive representative of the appropriate  
27 bargaining unit in the school district, and the board  
28 of the school district agree to include the employees  
29 in the appropriate bargaining unit of the school  
30 district.

31 Sec. \_\_\_\_\_. NEW SECTION. 256F.14 Teacher retirement.

32 Teachers in a charter or innovation zone school are  
33 public school teachers for the purposes of chapter 97B.

34 Sec. \_\_\_\_\_. NEW SECTION. 256F.15 Causes for  
35 nonrenewal or termination of charter or innovation zone  
36 school contract.

37 1. The authorizer may decline to renew a contract  
38 entered into with the board of directors of a charter  
39 or innovation zone school at the end of the contract  
40 term for any ground listed in subsection 3. The  
41 authorizer may unilaterally terminate a contract during  
42 the term of the contract for any ground listed in  
43 subsection 3.

44 2. At least sixty business days before not renewing  
45 or terminating a contract, the authorizer shall notify  
46 the board of directors of the charter or innovation  
47 zone school of the proposed action in writing. The  
48 notice shall state the grounds for the proposed action  
49 in reasonable detail and that the charter or innovation  
50 zone school's board of directors may request in writing



1 a hearing before the authorizer within fifteen business  
2 days of receiving notice of nonrenewal or termination  
3 of the contract. Failure by the board of directors  
4 to make a written request for a hearing within the  
5 time specified shall be treated as acquiescence to  
6 the proposed action. Upon receiving a timely written  
7 request for a hearing, the authorizer shall give ten  
8 business days' notice to the charter or innovation  
9 zone school's board of directors of the hearing date.  
10 The authorizer shall conduct the hearing before taking  
11 final action. The authorizer shall take final action  
12 to renew or not renew a contract no later than twenty  
13 business days before the proposed date for terminating  
14 the contract or the end date of the contract.

15 3. A charter or innovation zone school contract  
16 entered into with the authorizer may be terminated or  
17 not renewed by the authorizer upon any of the following  
18 grounds:

19 a. Failure to meet the requirements for student  
20 performance contained in the contract.

21 b. Failure to meet generally accepted standards of  
22 fiscal management.

23 c. Violations of law.

24 d. Other good cause shown, including but not  
25 limited to the existence of one or more other grounds  
26 for revocation as specified in the contract.

27 4. If a contract is terminated or not renewed on  
28 grounds specified in subsection 3, the school shall be  
29 dissolved according to rules adopted by the authorizer,  
30 and the assets of the charter or innovation zone  
31 school shall be disposed of according to the applicable  
32 provisions of chapter 504.

33 5. The authorizer, after providing reasonable  
34 notice to the board of directors of a charter or  
35 innovation zone school, and after providing an  
36 opportunity for a public hearing, may terminate the  
37 existing contract with the charter or innovation zone  
38 school board if the charter or innovation zone school  
39 has a history of the following:

40 a. Failure to meet student performance requirements  
41 consistent with state law.

42 b. Financial mismanagement or gross failure to meet  
43 generally accepted standards of fiscal management.

44 c. Violations of the law.

45 Sec. \_\_\_\_\_. NEW SECTION. 256F.16 Student enrollment  
46 upon nonrenewal or termination of charter or innovation  
47 zone school contract.

48 If a contract is not renewed or is terminated  
49 according to section 256F.15, a student who attended  
50 the charter or innovation zone school may enroll in the

1 district of residence or may submit an application to  
2 a nonresident district according to section 282.18 at  
3 any time, and shall be determined to have shown "good  
4 cause" for purposes of section 282.18. Applications  
5 and notices required by section 282.18 shall be  
6 processed and provided in a prompt manner. The  
7 application and notice deadlines in section 282.18 do  
8 not apply under these circumstances. The charter or  
9 innovation zone school shall transfer the student's  
10 educational records within ten business days of the  
11 charter or innovation zone school's closure to the  
12 student's school district of enrollment.

13 Sec. \_\_\_\_\_. NEW SECTION. 256F.17 Extent of specific  
14 legal authority.

15 1. A charter or innovation zone school board may  
16 sue and be sued.

17 2. A charter or innovation zone school board shall  
18 not levy taxes or issue bonds.

19 3. A charter or innovation zone school is a  
20 municipality for purposes of chapter 670.

21 Sec. \_\_\_\_\_. NEW SECTION. 256F.18 Funding.

22 A student enrolled in a charter or innovation zone  
23 school shall be counted, for state school foundation  
24 aid purposes, in the student's district of residence.  
25 A student's residence, for purposes of this section,  
26 means a residence under section 282.1. The board of  
27 directors of the district of residence shall pay to the  
28 charter or innovation zone school the district cost per  
29 pupil, the teacher salary supplement district cost per  
30 pupil, the professional development supplement district  
31 cost per pupil, and the early intervention supplement  
32 district cost per pupil under section 257.10, plus any  
33 moneys received for the student as a result of the  
34 non-English speaking weighting under section 280.4,  
35 subsection 3, for the previous school year multiplied  
36 by the district cost per pupil for the previous year.  
37 In addition, the board of directors of the district of  
38 residence shall pay to the charter or innovation zone  
39 school any other per pupil moneys requested under the  
40 charter or innovation zone school application approved  
41 by the authorizer.

42 Sec. \_\_\_\_\_. NEW SECTION. 256F.19 Prior charter or  
43 innovation zone schools and innovation zones.

44 1. A charter or innovation zone school established  
45 prior to July 1, 2013, shall continue to be governed by  
46 chapter 256F, Code 2013, until the term of the contract  
47 entered into pursuant to section 256F.8, Code 2013,  
48 ends.

49 2. This section is repealed July 1, 2019.

50 Sec. \_\_\_\_\_. Section 282.18, subsection 4, paragraph

1 b, Code 2013, is amended to read as follows:

2 b. For purposes of this section, "good cause" means  
3 a change in a child's residence due to a change in  
4 family residence, a change in the state in which the  
5 family residence is located, a change in a child's  
6 parents' marital status, a guardianship or custody  
7 proceeding, placement in foster care, adoption,  
8 participation in a foreign exchange program, or  
9 participation in a substance abuse or mental health  
10 treatment program, a change in the status of a child's  
11 resident district such as removal of accreditation  
12 by the state board, surrender of accreditation, or  
13 permanent closure of a nonpublic school, ~~revocation~~  
14 nonrenewal or termination of a charter or innovation  
15 zone school contract as provided in section 256F.8  
16 256F.15, the failure of negotiations for a whole grade  
17 sharing, reorganization, dissolution agreement or the  
18 rejection of a current whole grade sharing agreement,  
19 or reorganization plan. If the good cause relates to  
20 a change in status of a child's school district of  
21 residence, however, action by a parent or guardian must  
22 be taken to file the notification within forty-five  
23 days of the last board action or within thirty days  
24 of the certification of the election, whichever is  
25 applicable to the circumstances.

26 Sec. \_\_\_\_\_. Section 670.1, subsection 2, Code 2013,  
27 is amended to read as follows:

28 2. "Municipality" means city, county, township,  
29 school district, charter or innovation zone school,  
30 and any other unit of local government except soil and  
31 water conservation districts as defined in section  
32 161A.3, subsection 6.

33 Sec. \_\_\_\_\_. REPEAL. Section 256F.7, Code 2013, is  
34 repealed.>

35 2. By renumbering as necessary.

**By** NANCY J. BOETTGER  
DAN ZUMBACH  
MICHAEL BREITBACH  
TIM KAPUCIAN  
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RANDY FEENSTRA  
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JACK WHITVER  
MARK CHELGREN  
KENT SORENSON  
BILL ANDERSON  
AMY SINCLAIR  
KEN ROZENBOOM

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1 Amend Senate File 423 as follows:

2 1. Page 46, after line 27 by inserting:

3 <DIVISION \_\_\_\_

4 EDUCATION SAVINGS GRANT PROGRAM, FUND, APPROPRIATION,

5 AND PENALTIES

6 Sec. \_\_\_\_\_. Section 256.7, Code 2013, is amended by

7 adding the following new subsection:

8 NEW SUBSECTION. 33. Adopt rules relating to

9 applications for an education savings grant pursuant

10 to section 257.11B, including application processing

11 timelines and information required to be submitted by a

12 parent or guardian.

13 Sec. \_\_\_\_\_. NEW SECTION. 257.11B Education savings  
14 grant program.

15 1. Pupils eligible to enroll in grades kindergarten  
16 through twelve and attending a nonpublic school or  
17 receiving competent private instruction under chapter  
18 299A shall be eligible to receive an education savings  
19 grant in the manner provided in this section for school  
20 years beginning on or after July 1, 2014. Education  
21 savings grants shall be made available to parents and  
22 guardians in the manner authorized under subsection 4,  
23 paragraph "c", for the payment of qualified education  
24 expenses as provided in this section.

25 2. a. (1) By January 31 preceding the school year  
26 for which the education savings grant is requested, the  
27 parent or guardian of the pupil requesting to receive  
28 an education savings grant shall submit an application  
29 to the department of education, on application forms  
30 developed by the department, indicating that the parent  
31 or guardian intends to enroll the pupil in a nonpublic  
32 school or provide competent private instruction for the  
33 pupil under chapter 299A.

34 (2) In addition to such information deemed  
35 appropriate by the department of education, the  
36 application shall require certification from the  
37 nonpublic school of the pupil's enrollment for the  
38 following school year or a statement indicating the  
39 parent or guardian's intent to provide or arrange for  
40 competent private instruction for the pupil for the  
41 following school year.

42 b. By March 1 preceding the school year for  
43 which the education savings grant is requested, the  
44 department of education shall notify the department  
45 of management of the number of pupils in each school  
46 district designated for the following school year  
47 to receive an education savings grant and the amount  
48 of the education savings grant for each pupil. The  
49 department of education shall also notify the parent  
50 or guardian of such pupils who are approved to receive

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1 an education savings grant.

2 c. Education savings grants shall only be approved  
3 for one school year and applications must be submitted  
4 under paragraph "a" for education savings grants in  
5 subsequent school years.

6 3. a. The department of management shall assign  
7 each pupil an education savings grant in an amount  
8 equal to the statewide average state foundation aid per  
9 pupil in the same school year.

10 b. The department of management shall on July  
11 1 following the determination of the amount of the  
12 education savings grant for each approved pupil  
13 transfer such amounts to the pupil's account in  
14 the education savings grant fund established under  
15 subsection 4. Such amount shall be available to the  
16 pupil's parent or guardian in the manner authorized  
17 under subsection 4, paragraph "c", for the payment of  
18 qualified educational expenses incurred by such persons  
19 for the pupil during that school year.

20 4. An education savings grant fund is created in  
21 the state treasury under the control of the department  
22 of management consisting of moneys appropriated to  
23 the department for the purpose of providing education  
24 savings grants under this section. For the fiscal  
25 year commencing July 1, 2014, and each succeeding  
26 fiscal year, there is appropriated from the general  
27 fund of the state to the department of management to  
28 be credited to the fund the amount necessary to pay  
29 all education savings grants approved for that fiscal  
30 year. The director of the department of management has  
31 all powers necessary to carry out and effectuate the  
32 purposes, objectives, and provisions of this section  
33 pertaining to the fund, including the power to do all  
34 of the following:

35 a. Make and enter into contracts necessary for the  
36 administration of the fund.

37 b. Procure insurance against any loss in connection  
38 with the assets of the fund or require a surety bond.

39 c. Contract with a private financial management  
40 firm to manage the fund, in collaboration with the  
41 treasurer of state, including providing for the  
42 disbursement of education savings grants in the form  
43 of an electronic debit card or checks that are payable  
44 directly from the pupil's account within the fund.

45 d. Conduct audits or other review necessary to  
46 properly administer the program.

47 e. Adopt rules pursuant to chapter 17A for the  
48 administration of the fund and accounts within the  
49 fund.

50 5. a. For each pupil approved for an education

1 savings grant, the department shall establish an  
2 account for that pupil in the education savings grant  
3 fund. The amount of the pupil's education savings  
4 grant determined under subsection 3 shall be deposited  
5 into the pupil's account on July 1 and such amount  
6 shall be immediately available for the payment of  
7 qualified education expenses incurred by the parent or  
8 guardian for the pupil during that fiscal year using  
9 the payment method authorized under subsection 4,  
10 paragraph "c".

11 b. A nonpublic school or other entity that accepts  
12 payment from a parent or guardian using funds from a  
13 pupil's account in the education savings grant fund  
14 shall not refund, rebate, or share any portion of such  
15 payment with the parent, guardian, or pupil.

16 c. Moneys remaining in a pupil's account upon  
17 conclusion of the fiscal year shall remain in the  
18 pupil's account within the education savings grant  
19 fund for the payment of qualified educational expenses  
20 in future fiscal years or for the payment of higher  
21 education costs under subsection 8.

22 6. For purposes of this section, "qualified  
23 educational expense" includes tuition and fees at a  
24 nonpublic school, textbooks, fees or payments for  
25 tutoring or cognitive skills training, curriculum  
26 materials, tuition or fees for nonpublic online  
27 education programs, education materials and services  
28 for pupils with disabilities, standardized test fees,  
29 fees required by the department not to exceed for each  
30 grant recipient five percent of the total grant amount  
31 in any fiscal year, and other expenses incurred by the  
32 parent or guardian that are directly related to the  
33 education of the pupil at a nonpublic school, including  
34 a nonpublic school accredited by an independent  
35 accrediting agency approved by the department of  
36 education, or directly related to providing competent  
37 private instruction for the pupil under chapter 299A.  
38 The cost of one computer or other portable computing  
39 device shall be allowed as a qualified educational  
40 expense for a pupil if such a purchase has not been  
41 made using funds from that pupil's account in either of  
42 the two immediately preceding fiscal years. "Qualified  
43 educational expenses" do not include transportation  
44 costs for the pupil, the cost of food or refreshments  
45 consumed by the pupil, the cost of clothing for the  
46 pupil, or the cost of disposable materials including  
47 but not limited to paper, notebooks, pencils, pens, and  
48 art supplies.

49 7. A person who makes a false claim for the purpose  
50 of obtaining an education savings grant provided for



1 in this section or who knowingly receives the grant or  
2 makes a payment from an account within the education  
3 savings grant fund without being legally entitled to it  
4 is guilty of a fraudulent practice. The false claim  
5 for an education savings grant or a payment from an  
6 account shall be disallowed and if amounts from the  
7 grant have been disbursed from the applicable account  
8 in the education savings grant fund, the department of  
9 management shall initiate legal proceedings to recover  
10 such amounts. A parent or guardian, or a pupil for  
11 purposes of subsection 8, who violates this subsection  
12 is prohibited from participating in the education  
13 savings grant program in the future.

14 8. For each pupil with a positive balance in the  
15 pupil's account in the education savings grant fund  
16 upon graduation from high school or completion of an  
17 equivalent level of competent private instruction  
18 under chapter 299A, the department of management shall  
19 maintain such account in the fund until the pupil is  
20 twenty-five years of age. Following graduation from  
21 high school until the pupil is twenty-five years of  
22 age, moneys in the pupil's account may be used for  
23 higher education costs, as defined in section 12D.1,  
24 subsection 2, incurred by the pupil while attending an  
25 institution of higher education under the control of  
26 the state board of regents, a community college located  
27 in this state, or a private college or university  
28 located in this state. Payments from a pupil's account  
29 for higher education costs shall be made in the same  
30 manner as payments for qualified educational expenses  
31 under subsection 5. Moneys in a pupil's account  
32 when the pupil turns twenty-five years of age shall  
33 be transferred by the department for deposit in the  
34 general fund of the state.

35 9. This section shall not be construed to authorize  
36 this state or any political subdivision of this state  
37 to exercise authority over any nonpublic school or  
38 pupil receiving competent private instruction under  
39 chapter 299A or construed to require a nonpublic school  
40 to modify its admissions or educational program in  
41 order to receive payment from a parent or guardian  
42 using funds from a pupil's account in the education  
43 savings grant fund. A nonpublic school or entity  
44 providing competent private instruction under chapter  
45 299A, that accepts payment from a parent or guardian  
46 using funds from a pupil's account in the education  
47 savings grant fund is not an agent of this state or  
48 other political subdivision of this state. Rules  
49 adopted by the department to implement this section  
50 that impose an undue burden on a nonpublic school or



1 entity providing competent private instruction under  
2 chapter 299A are invalid.

3 Sec. \_\_\_\_\_. APPLICABILITY. This division of this  
4 Act applies to school budget years and fiscal years  
5 beginning on or after July 1, 2014.>

6 2. Title page, line 5, before <establishing> by  
7 inserting <making appropriations and>

8 3. By renumbering as necessary.

**By** JERRY BEHN

NANCY J. BOETTGER

DAN ZUMBACH

MICHAEL BREITBACH

DAVID JOHNSON

SANDRA H. GREINER

JAKE CHAPMAN

RICK BERTRAND

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HUBERT HOUSER

MARK CHELGREN

TIM KAPUCIAN

JONI ERNST

MARK SEGEBART

CHARLES SCHNEIDER

JACK WHITVER

RANDY FEENSTRA

KEN ROZENBOOM

AMY SINCLAIR

S-3076 FILED MARCH 26, 2013

RULED OUT OF ORDER

S-3077

1 Amend [Senate File 423](#) as follows:

2 1. Page 42, after line 10 by inserting:

3 <Sec. \_\_\_\_\_. Section 422.11S, subsection 7, paragraph  
4 a, subparagraph (2), Code 2013, is amended to read as  
5 follows:

6 (2) "Total approved tax credits" means for the  
7 tax year beginning in the 2006 calendar year, two  
8 million five hundred thousand dollars, for the tax  
9 year beginning in the 2007 calendar year, five million  
10 dollars, ~~and for the tax years year beginning on or~~  
11 ~~after January 1, 2008, but before January 1, 2012,~~  
12 ~~seven million five hundred thousand dollars. However,~~  
13 ~~for the tax years year beginning on or after January 1,~~  
14 ~~2012, "total approved tax credits" means eight million~~  
15 ~~seven hundred fifty thousand dollars, and for tax years~~  
16 ~~beginning on or after January 1, 2013, twenty million~~  
17 ~~dollars.~~

18 Sec. \_\_\_\_\_. Section 422.11S, Code 2013, is amended by  
19 adding the following new subsection:

20 NEW SUBSECTION. 9. An individual may claim the  
21 tax credit allowed under subsection 7 to a limited  
22 liability company or S corporation electing to have the  
23 income taxed directly to the individual. The amount  
24 claimed by the individual shall be based upon the pro  
25 rata share of the individual's earnings of the limited  
26 liability company or S corporation.>

27 2. Page 42, after line 11 by inserting:

28 <Sec. \_\_\_\_\_. 2013 Iowa Acts, [House File 604](#), section  
29 6, subsection 12, if enacted, is amended to read as  
30 follows:

31 12. TEXTBOOKS OF NONPUBLIC SCHOOL PUPILS

32 To provide moneys for costs of providing textbooks  
33 to each resident pupil who attends a nonpublic school  
34 as authorized by section 301.1:

35 ..... \$~~560,214~~ 800,000

36 Funding under this subsection is limited to \$20 per  
37 pupil and shall not exceed the comparable services  
38 offered to resident public school pupils.>

39 3. Page 44, after line 35 by inserting:

40 <Sec. \_\_\_\_\_. PAYMENT OF NONPUBLIC SCHOOL  
41 TRANSPORTATION COSTS – AMOUNT APPROPRIATED FOR FY  
42 2013-2014. For the fiscal year beginning July 1, 2013,  
43 and ending June 30, 2014, moneys appropriated for  
44 payment of nonpublic school transportation costs under  
45 section 285.2 shall not be reduced to an amount less  
46 than ten million dollars.>

47 4. Page 45, after line 12 by inserting:

48 <\_\_\_\_\_. The section of this Act relating to the  
49 amount appropriated for payment of nonpublic school  
50 transportation costs for FY 2013-2014.

S-3077

1 \_\_\_\_\_. The section of this Act amending 2013 Iowa  
2 Acts, [House File 604](#), section 6, subsection 12, if  
3 enacted.

4 <Sec. \_\_\_\_\_. APPLICABILITY. The following provision  
5 or provisions of this division of this Act apply  
6 retroactively to January 1, 2013, for tax years  
7 beginning on or after that date:

8 1. The sections of this Act amending section  
9 422.11S.>

10 5. Title page, line 6, after <fee;> by inserting  
11 <affecting appropriations and tax credits for  
12 educational purposes;>

13 6. Title page, line 6, before <applicability> by  
14 inserting <retroactive and other>

15 7. By renumbering as necessary.

**By** RANDY FEENSTRA

MARK CHELGREN

DAN ZUMBACH

DENNIS GUTH

BILL ANDERSON

KENT SORENSON

RICK BERTRAND

BILL DIX

NANCY J. BOETTGER

MICHAEL BREITBACH

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MARK SEGEBART

ROBY SMITH

SANDRA H. GREINER

JAKE CHAPMAN

JACK WHITVER

KEN ROZENBOOM

AMY SINCLAIR

S-3078

1 Amend Senate File 423 as follows:

2 1. Page 46, after line 27, by inserting:

3 <DIVISION \_\_\_\_

4 STATE POSTSECONDARY PROVISIONS

5 Sec. \_\_\_\_\_. Section 260C.14, subsection 2, Code 2013,  
6 is amended to read as follows:

7 2. Have authority to determine tuition rates for  
8 instruction. Tuition for residents of Iowa shall  
9 not exceed the lowest tuition rate per semester, or  
10 the equivalent, charged by an institution of higher  
11 education under the state board of regents for a  
12 full-time resident student. However, except for  
13 students enrolled under section 261E.6, if a local  
14 school district pays tuition for a resident pupil  
15 of high school age, the limitation on tuition for  
16 residents of Iowa shall not apply, the amount of  
17 tuition shall be determined by the board of directors  
18 of the community college with the consent of the local  
19 school board, and the pupil shall not be included in  
20 the full-time equivalent enrollment of the community  
21 college for the purpose of computing general aid  
22 to the community college. Tuition for nonresidents  
23 of Iowa shall not be less than the marginal cost of  
24 instruction of a student attending the college. A  
25 lower tuition for nonresidents may be permitted under  
26 a reciprocal tuition agreement between a merged area  
27 and an educational institution in another state, if  
28 the agreement is approved by the director. The board  
29 may designate that a portion of the tuition moneys  
30 collected from nonresident students be used for student  
31 aid purposes, but shall not designate that a portion  
32 of the tuition moneys collected from resident students  
33 be used for such purposes.

34 Sec. \_\_\_\_\_. Section 262.9, subsection 19, Code 2013,  
35 is amended by adding the following new paragraph:

36 NEW PARAGRAPH. c. Prohibit the designation  
37 of a portion of the tuition moneys collected from  
38 resident students by institutions of higher education  
39 governed by the board for use for student aid purposes.  
40 However, such institutions may designate that a portion  
41 of the tuition moneys collected from nonresident  
42 students be used for such purposes.

43 Sec. \_\_\_\_\_. TUITION REDUCTION. A state postsecondary  
44 institution which sets aside a portion of the tuition  
45 moneys collected from resident students for student aid  
46 purposes in the fiscal year beginning July 1, 2012,  
47 shall reduce the tuition for resident students by an  
48 equivalent amount for the fiscal year beginning July  
49 1, 2013.>

50 2. By renumbering as necessary.

**By** AMY SINCLAIR  
KEN ROZENBOOM  
NANCY J. BOETTGER  
DAN ZUMBACH  
MICHAEL BREITBACH  
JERRY BEHN  
MARK SEGEBART  
JONI ERNST

ROBY SMITH  
DAVID JOHNSON  
CHARLES SCHNEIDER  
JAKE CHAPMAN  
SANDRA H. GREINER  
JACK WHITVER  
MARK CHELGREN

**S-3078** FILED MARCH 26, 2013  
RULED OUT OF ORDER

**SENATE FILE 423**

**S-3079**

1 Amend the amendment, S-3066, to Senate File 423, as  
2 follows:  
3 1. Page 5, by striking lines 28 through 42 and  
4 inserting:  
5 <a. The commission shall be comprised of teachers,  
6 parents and guardians of children enrolled in Iowa's  
7 school districts, school administrators, school board  
8 members, postsecondary faculty, designees representing  
9 education-related professional organizations, and  
10 business and community leaders.  
11 b. Members shall be appointed by the governor,  
12 subject to confirmation by the senate, to staggered  
13 three-year terms which begin and end as provided>  
14 2. By renumbering as necessary.

**By** RANDY FEENSTRA

**S-3079** FILED MARCH 26, 2013  
LOST

S-3080

1 Amend Senate File 423 as follows:

2 1. Page 46, after line 27 by inserting:

3 <DIVISION \_\_\_\_

4 COURSES TAUGHT BY MEANS OF TELECOMMUNICATIONS

5 Sec. \_\_\_\_\_. Section 256.7, subsection 7, paragraph b,  
6 Code 2013, is amended to read as follows:

7 b. The rules shall provide that when the curriculum  
8 is taught by an appropriately licensed teacher at the  
9 location at which the telecommunications originates,  
10 the curriculum ~~shall be received at a remote site shall~~  
11 ~~be under the supervision of a licensed teacher at any~~  
12 ~~remote site. The licensed teacher at the originating~~  
13 ~~site may provide supervision of students at a remote~~  
14 ~~site or the school district in which the remote site~~  
15 ~~is located may provide for supervision at the remote~~  
16 ~~site if the school district deems it necessary or if~~  
17 ~~requested to do so by the licensed teacher at the~~  
18 ~~originating site. For the purposes of this subsection,~~  
19 ~~"supervision":~~

20 (1) "Supervision" means that the curriculum is  
21 monitored by a proctor who need not be a licensed  
22 teacher and the teacher is but shall be accessible  
23 to the students receiving the curriculum by means of  
24 telecommunications.

25 (2) "Proctor" means a school librarian, school  
26 teacher, school administrator, school guidance  
27 counselor, teacher assistant, para-educator, or other  
28 individuals approved by the department.

29 Sec. \_\_\_\_\_. Section 256.7, subsection 7, paragraph c,  
30 Code 2013, is amended by striking the paragraph.

31 Sec. \_\_\_\_\_. Section 256.7, subsection 8, Code 2013,  
32 is amended by striking the subsection and inserting in  
33 lieu thereof the following:

34 8. a. At the discretion of the board of directors  
35 of a school district or the authorities in charge of  
36 a school, after taking into consideration necessity,  
37 convenience, and cost-effectiveness, brokered courses  
38 developed by outside sources may be approved for use by  
39 a school district or school.

40 b. Courses used by a school district or school  
41 in accordance with paragraph "a" shall be taught by  
42 means of telecommunications by teachers licensed  
43 under chapter 272; however, if the director determines  
44 special circumstances exist, the director may waive  
45 this requirement.>

46 2. By renumbering as necessary.

**By** BILL ANDERSON  
KENT SORENSON  
DENNIS GUTH  
MARK CHELGREN  
RICK BERTRAND  
JACK WHITVER  
JAKE CHAPMAN  
SANDRA H. GREINER  
DAVID JOHNSON

JONI ERNST  
MARK SEGEBART  
MICHAEL BREITBACH  
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NANCY J. BOETTGER  
JERRY BEHN  
BILL DIX  
KEN ROZENBOOM  
AMY SINCLAIR

**S-3080** FILED MARCH 26, 2013  
LOST

**SENATE FILE 423**

**S-3081**

1 Amend the amendment, S-3066, to Senate File 423 as  
2 follows:  
3 1. Page 1, by striking line 49 and inserting <line  
4 20.>  
5 2. By striking page 1, line 50, through page 2,  
6 line 17.  
7 3. By striking page 9, line 45, through page 12,  
8 line 50.  
9 4. Page 16, after line 10 by inserting:  
10 <Sec. \_\_\_\_ REPEAL. Section 284.7, Code 2013, is  
11 repealed.  
12 Sec. \_\_\_\_ CODE EDITOR DIRECTIVE. The Code editor  
13 shall delete references in the Code, and Code language  
14 directly related to the references, to Code sections  
15 284.7 and 284.17, repealed or stricken by this division  
16 of this Act.>  
17 5. By renumbering as necessary.

**By** NANCY J. BOETTGER  
AMY SINCLAIR

**S-3081** FILED MARCH 26, 2013  
RULED OUT OF ORDER



S-3082

1 Amend Senate File 423 as follows:

2 1. Page 46, after line 27 by inserting:

3 <DIVISION \_\_\_\_

4 VALUE-ADDED ASSESSMENT SYSTEM

5 Sec. \_\_\_\_\_. NEW SECTION. 256.25 Value-added  
6 assessment system.

7 1. A value-added assessment system shall be  
8 established and implemented by the department not later  
9 than January 31, 2014, to provide for multivariate  
10 longitudinal analysis of annual student test scores  
11 to determine the influence of a school district's  
12 educational program on student academic growth and  
13 to guide school district improvement efforts. The  
14 department shall select a value-added assessment system  
15 provider through a request for proposals process. The  
16 system provider selected by the department shall offer  
17 a value-added assessment system to calculate annually  
18 the academic growth of each student enrolled in grade  
19 levels three through eleven and tested in accordance  
20 with this section, and shall, at a minimum, meet all  
21 of the following criteria:

22 a. Use a mixed-model statistical analysis that has  
23 the ability to use all achievement test data for each  
24 student, including the data for students with missing  
25 test scores, that does not adjust downward expectations  
26 for student progress based on race, poverty, or  
27 gender, and that will provide the best linear unbiased  
28 predictions of school or other educational entity  
29 effects to minimize the impact of random errors.

30 b. Have the ability to work with test data from  
31 a variety of sources, including data that are not  
32 vertically scaled, and to provide support for school  
33 districts utilizing the system.

34 c. Have the capacity to receive and report results  
35 electronically and provide support for districts  
36 utilizing the system.

37 d. Have the ability to create for each school  
38 district a chart that reports grade-equivalent scores  
39 for grades three through eight and gains between  
40 consecutive pairs of grades for each attendance  
41 center, and that provides for a district-wide study of  
42 grade-equivalent scores.

43 2. Annually, each school district that administers  
44 the Iowa assessments shall, within thirty days of  
45 receiving the test scores, submit the test scores for  
46 each attendance center within the school district and  
47 each grade level tested, from grades three through  
48 eleven, to the system provider selected pursuant to  
49 subsection 1. School districts may submit additional  
50 assessment data for analysis and inclusion in reports

S-3082

1 provided to school districts pursuant to subsection 3,  
2 to the extent that the assessment meets the criteria  
3 for valid academic progress interpretation specified by  
4 the system provider.

5 3. The system provider shall provide analysis  
6 to school districts submitting test scores pursuant  
7 to subsection 2, and to the department of education.  
8 The analysis shall include but not be limited to  
9 attendance-center-level test results for the Iowa  
10 assessments in the areas of reading and mathematics  
11 and other core academic areas when possible. The  
12 analysis shall also include but not be limited to the  
13 number of students tested, the number of test results  
14 used to compute the averages, the average standard  
15 score, the corresponding grade equivalent-score, the  
16 average stanine score for the group, the normal curve  
17 equivalent of average standard scores, and percentile  
18 ranks based on student norms, as well as measures of  
19 student progress. The system provider shall create a  
20 chart for each school district in accordance with the  
21 criteria set forth in subsection 1.

22 4. Each school district shall have complete  
23 access to and full utilization of its own value-added  
24 assessment reports and charts generated by the system  
25 provider at the student level for the purpose of  
26 measuring student achievement at different educational  
27 entity levels.

28 5. Student academic growth determined pursuant to  
29 this section shall not be used in teacher evaluation  
30 and shall not be published if individual teacher  
31 effects can be surmised.

32 6. Information about student academic growth may  
33 be used by the school district, including school board  
34 members, administration, and staff, for defining  
35 student and district learning goals and professional  
36 development related to student learning goals across  
37 the school district. A school district may submit its  
38 academic growth measures in the annual report submitted  
39 pursuant to section 256.7, subsection 21, and may  
40 reference in the report state level norms for purposes  
41 of demonstrating school district performance. However,  
42 unless a school district chooses to submit its academic  
43 measures in the annual report submitted pursuant to  
44 section 256.7, subsection 21, such measures are not  
45 public records for the purposes of chapter 22.

46 7. The department may use student academic  
47 progress data to determine school improvement and  
48 technical assistance needs of school districts, and to  
49 identify school districts achieving exceptional gains.  
50 Beginning January 15, 2015, and by January 15 of each

1 succeeding year, the department shall submit an annual  
2 progress report regarding the use of student academic  
3 growth information in the school improvement processes  
4 to the general assembly and shall publish the progress  
5 report on its internet website.

6 8. The department is encouraged to advocate that  
7 the United States department of education allow  
8 reporting of student academic progress as an additional  
9 valid measure of school performance, as an alternative  
10 for meeting federal safe harbor provisions, and for  
11 establishing statewide progress under the federal No  
12 Child Left Behind Act of 2001, Pub. L. No. 107-110, and  
13 any federal regulations adopted pursuant to the federal  
14 Act.

15 9. A school district shall use the value-added  
16 assessment system established by the department  
17 pursuant to subsection 1 not later than the school  
18 year beginning July 1, 2014. However, the director  
19 of educational services of an area education agency  
20 may grant a request made by a board of directors of a  
21 school district located within the boundaries of the  
22 area education agency stating its desire to use an  
23 alternative system to compute and report value-added  
24 scores that is statistically valid and reliable.>

25 2. By renumbering as necessary.

**By** AMY SINCLAIR

S-3083

1 Amend Senate File 423 as follows:

2 1. Page 35, after line 29 by inserting:

3 <Sec. \_\_\_\_\_. Section 11.6, subsection 1, paragraph  
4 a, Code 2013, is amended by adding the following new  
5 subparagraph:

6 NEW SUBPARAGRAPH. (3) Biennially, and in  
7 conjunction with the audits of school districts  
8 required under this subsection, the auditor  
9 shall conduct a biennial review of the Iowa early  
10 intervention block grant program administered by the  
11 department of education. The review shall be conducted  
12 to determine whether the program has been appropriately  
13 administered and the department and school districts  
14 receiving program funds complied with relevant laws,  
15 rules, and guidelines. The auditor may seek from the  
16 department of management reimbursement for the cost  
17 of the audit from moneys provided to school districts  
18 pursuant to section 257.10, subsection 11. If the  
19 auditor applies to the department of management for  
20 reimbursement pursuant to this subparagraph, the  
21 department shall accordingly adjust the amount of aid  
22 made available pursuant to section 257.10, subsection  
23 11, in order to reimburse the auditor for the cost of  
24 the review conducted pursuant to this subparagraph.

25 Sec. \_\_\_\_\_. Section 256D.3, subsection 3, Code 2013,  
26 is amended to read as follows:

27 3. ~~Beginning January 15, 2006, the~~ The department  
28 of education shall submit an annual report by January  
29 15 to the chairpersons and ranking members of the  
30 senate and house education committees general assembly  
31 that includes the statewide average school district  
32 class size in basic skills instruction in kindergarten  
33 through grade three, by grade level and by district  
34 size, and describes school district progress toward  
35 achieving early intervention block grant program goals  
36 and the ways in which school districts are using moneys  
37 received pursuant to this chapter section 257.10,  
38 subsection 11, and expended as provided in section  
39 256D.2A. The report shall include district-by-district  
40 information showing the allocation received for early  
41 intervention block grant program purposes, the total  
42 number of students enrolled in grade four in each  
43 district, and the number of students in each district  
44 who are not proficient in reading in grade four for  
45 the most recent reporting period, as well as for  
46 each reporting period starting with the school year  
47 beginning July 1, 2001.

48 Sec. \_\_\_\_\_. Section 256D.3, Code 2013, is amended by  
49 adding the following new subsection:

50 NEW SUBSECTION. 4. The department of education,

S-3083

1 in consultation with the auditor of state and the  
2 legislative services agency, shall annually conduct  
3 a performance audit of the programs, instructional  
4 support, and materials provided by each school district  
5 from funds received pursuant to section 257.10,  
6 subsection 11. The purpose of a performance audit  
7 is to assess the performance of a school district in  
8 carrying out the purposes of this chapter, including  
9 the effectiveness of the programs, instructional  
10 support, and materials provided by the school district  
11 from funds received pursuant to section 257.10,  
12 subsection 11, based on the goals and requirements  
13 established under this chapter. The department may  
14 make recommendations to improve school district and  
15 program performance which may include modifying,  
16 streamlining, consolidating, expanding, redesigning, or  
17 eliminating such programs, instructional support, and  
18 materials. The department shall submit its findings  
19 and recommendations to the general assembly annually  
20 by January 15.>

21 2. By renumbering as necessary.

**By** MARK CHELGREN

S-3084

1 Amend Senate File 423 as follows:

2 1. By striking everything after the enacting clause  
3 and inserting:

4 <DIVISION I

5 INSTRUCTIONAL HOURS

6 Section 1. Section 256.7, subsection 19, Code 2013,  
7 is amended to read as follows:

8 19. ~~Define the minimum school day as a day~~  
9 ~~consisting of five and one half hours of instructional~~  
10 ~~time for grades one through twelve. The minimum hours~~  
11 ~~as time that shall be exclusive of the lunch period,~~  
12 ~~but may include passing time between classes. Time~~  
13 ~~spent on parent-teacher conferences shall be considered~~  
14 ~~instructional time. A school or school district may~~  
15 ~~record a day of school with less than the minimum~~  
16 ~~instructional hours as a minimum school day if any of~~  
17 ~~the following apply:~~

18 a. ~~If emergency health or safety factors require~~  
19 ~~the late arrival or early dismissal of students on a~~  
20 ~~specific day.~~

21 b. ~~If the total hours of instructional school~~  
22 ~~time for grades one through twelve for any five~~  
23 ~~consecutive school days equal a minimum of twenty seven~~  
24 ~~and one half hours, even though any one day of~~  
25 ~~school is less than the minimum instructional hours~~  
26 ~~because of a staff development opportunity provided~~  
27 ~~for the professional instructional staff or because~~  
28 ~~parent teacher conferences have been scheduled~~  
29 ~~beyond the regular school day. Furthermore, if the~~  
30 ~~total hours of instructional time for the first four~~  
31 ~~consecutive days equal at least twenty seven and~~  
32 ~~one half hours because parent teacher conferences~~  
33 ~~have been scheduled beyond the regular school day, a~~  
34 ~~school or school district may record zero hours of~~  
35 ~~instructional time on the fifth consecutive school day~~  
36 ~~as a minimum school day.~~

37 Sec. 2. Section 256F.4, subsection 5, Code 2013, is  
38 amended to read as follows:

39 5. A charter school or innovation zone school shall  
40 provide instruction for at least the number of ~~days~~  
41 hours required by section 279.10, subsection 1, ~~or~~  
42 ~~shall provide at least the equivalent number of total~~  
43 ~~hours.~~

44 Sec. 3. Section 279.10, subsection 1, Code 2013, is  
45 amended to read as follows:

46 1. The school year for each school district and  
47 accredited nonpublic school shall begin on the first  
48 day of July 1 and each regularly established elementary  
49 and secondary school shall begin no sooner than a day  
50 during the calendar week in which the first day of

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1 September falls but no later than the first Monday  
2 in December. However, if the first day of September  
3 falls on a Sunday, school may begin on a day during the  
4 calendar week which immediately precedes the first day  
5 of September. ~~School shall continue for at least one~~  
6 ~~hundred eighty days, except as provided in subsection~~  
7 ~~3, and may be maintained~~ The school calendar shall  
8 include not less than one thousand eighty hours of  
9 instruction during the entire calendar year. ~~However,~~  
10 ~~if~~ The board of directors of a school district and the  
11 authorities in charge of an accredited nonpublic school  
12 shall set the number of hours of required attendance  
13 for the school year as provided in section 299.1,  
14 subsection 2, but the board of directors of a school  
15 district shall hold a public hearing on any proposed  
16 school calendar prior to adopting the school calendar.  
17 If the board of directors of a district or the  
18 authorities in charge of an accredited nonpublic school  
19 extends the school calendar because inclement weather  
20 caused the school district or accredited nonpublic  
21 school to temporarily close ~~school~~ during the regular  
22 school calendar, the school district or accredited  
23 nonpublic school may excuse a graduating senior who  
24 has met district or school requirements for graduation  
25 from attendance during the extended school calendar. A  
26 school corporation may begin employment of personnel  
27 for in-service training and development purposes before  
28 the date to begin elementary and secondary school.

29 Sec. 4. Section 279.10, subsection 2, Code 2013, is  
30 amended to read as follows:

31 2. The board of directors shall hold a public  
32 hearing on any proposal relating to the school calendar  
33 prior to submitting it to the department of education  
34 for approval.

35 Sec. 5. Section 299.1, subsection 2, Code 2013, is  
36 amended to read as follows:

37 2. The board of directors of a public school  
38 district or the governing body of an accredited  
39 nonpublic school shall set the number of ~~days~~ hours of  
40 required attendance for the schools under its control.  
41 The board of directors of a public school district or  
42 the governing body of an accredited nonpublic school  
43 may, by resolution, require attendance for the entire  
44 time when the schools are in session in any school year  
45 and adopt a policy or rules relating to the reasons  
46 considered to be valid or acceptable excuses for  
47 absence from school.

48 Sec. 6. Section 299.4, subsection 1, Code 2013, is  
49 amended to read as follows:

50 1. The parent, guardian, or legal custodian of a



1 child who is of compulsory attendance age, who places  
2 the child under competent private instruction under  
3 either section 299A.2 or 299A.3, not in an accredited  
4 school or a home school assistance program operated by  
5 a school district or accredited nonpublic school, shall  
6 furnish a report in duplicate on forms provided by the  
7 public school district, to the district by ~~the earliest~~  
8 ~~starting date specified in section 279.10, subsection 1~~  
9 September 1 of the school year in which the child will  
10 be under competent private instruction. The secretary  
11 shall retain and file one copy and forward the other  
12 copy to the district's area education agency. The  
13 report shall state the name and age of the child, the  
14 period of time during which the child has been or will  
15 be under competent private instruction for the year,  
16 an outline of the course of study, texts used, and  
17 the name and address of the instructor. The parent,  
18 guardian, or legal custodian of a child, who is placing  
19 the child under competent private instruction for  
20 the first time, shall also provide the district with  
21 evidence that the child has had the immunizations  
22 required under section 139A.8, and, if the child is  
23 elementary school age, a blood lead test in accordance  
24 with section 135.105D. The term "outline of course of  
25 study" shall include subjects covered, lesson plans,  
26 and time spent on the areas of study.

27 Sec. 7. EFFECTIVE DATE. This division of this Act  
28 takes effect July 1, 2014.

29 DIVISION II

30 STATE SCHOOL FOUNDATION PROGRAM

31 Sec. 8. Section 257.2, subsection 9, Code 2013, is  
32 amended by adding the following new paragraph:

33 NEW PARAGRAPH. d. Property tax replacement  
34 payments received under section 257.16B.

35 Sec. 9. Section 257.4, subsection 1, paragraph  
36 a, Code 2013, is amended by adding the following new  
37 subparagraph:

38 NEW SUBPARAGRAPH. (9) The amount of the school  
39 district property tax replacement payment received by  
40 the school district under section 257.16B.

41 Sec. 10. Section 257.4, subsection 1, paragraph b,  
42 Code 2013, is amended to read as follows:

43 b. For the budget year beginning July 1, 2008, and  
44 succeeding budget years, the department of management  
45 shall annually determine an adjusted additional  
46 property tax levy and a statewide maximum adjusted  
47 additional property tax levy rate, not to exceed the  
48 statewide average additional property tax levy rate,  
49 calculated by dividing the total adjusted additional  
50 property tax levy dollars statewide by the statewide

1 total net taxable valuation. For purposes of this  
2 paragraph, the adjusted additional property tax levy  
3 shall be that portion of the additional property  
4 tax levy corresponding to the state cost per pupil  
5 multiplied by a school district's weighted enrollment,  
6 ~~and then multiplied by one hundred percent less the~~  
7 regular program foundation base per pupil percentage  
8 pursuant to section 257.1, and then reduced by the  
9 amount of property tax replacement received under  
10 section 257.16B. The district shall receive adjusted  
11 additional property tax levy aid in an amount equal  
12 to the difference between the adjusted additional  
13 property tax levy rate and the statewide maximum  
14 adjusted additional property tax levy rate, as applied  
15 per thousand dollars of assessed valuation on all  
16 taxable property in the district. ~~The statewide~~  
17 ~~maximum adjusted additional property tax levy rate~~  
18 ~~shall be annually determined by the department~~  
19 ~~taking into account amounts allocated pursuant to~~  
20 ~~section 257.15, subsection 4.~~ The statewide maximum  
21 adjusted additional property tax levy rate shall be  
22 annually determined by the department taking into  
23 account amounts allocated pursuant to section 257.15,  
24 subsection 4, and the balance of the property tax  
25 equity and relief fund created in section 257.16A at  
26 the end of the calendar year.

27 Sec. 11. Section 257.8, subsections 1 and 2, Code  
28 2013, are amended to read as follows:

29 1. State percent of growth. ~~The state percent of~~  
30 ~~growth for the budget year beginning July 1, 2010,~~  
31 ~~is two percent.~~ The state percent of growth for the  
32 budget year beginning July 1, 2012, is two percent.  
33 The state percent of growth for the budget year  
34 beginning July 1, 2013, is two percent. The state  
35 percent of growth for the budget year beginning July  
36 1, 2014, is two percent. The state percent of growth  
37 for each subsequent budget year shall be established  
38 by statute which shall be enacted within thirty days  
39 of the submission in the year preceding the base year  
40 of the governor's budget under section 8.21. The  
41 establishment of the state percent of growth for a  
42 budget year shall be the only subject matter of the  
43 bill which enacts the state percent of growth for a  
44 budget year.

45 2. Categorical state percent of growth. ~~The~~  
46 ~~categorical state percent of growth for the budget~~  
47 ~~year beginning July 1, 2010, is two percent.~~ The  
48 categorical state percent of growth for the budget  
49 year beginning July 1, 2012, is two percent. The  
50 categorical state percent of growth for the budget

1 year beginning July 1, 2013, is two percent. The  
2 categorical state percent of growth for the budget  
3 year beginning July 1, 2014, is two percent. The  
4 categorical state percent of growth for each budget  
5 year shall be established by statute which shall  
6 be enacted within thirty days of the submission in  
7 the year preceding the base year of the governor's  
8 budget under section 8.21. The establishment of the  
9 categorical state percent of growth for a budget year  
10 shall be the only subject matter of the bill which  
11 enacts the categorical state percent of growth for a  
12 budget year. The categorical state percent of growth  
13 may include state percents of growth for the teacher  
14 salary supplement, the professional development  
15 supplement, and the early intervention supplement.

16 Sec. 12. Section 257.15, subsection 4, paragraph b,  
17 Code 2013, is amended to read as follows:

18 b. After lowering all school district adjusted  
19 additional property tax levy rates to the statewide  
20 maximum adjusted additional property tax levy rate  
21 under paragraph "a", the department of management shall  
22 use any remaining funds at the end of the calendar  
23 year to further lower additional property taxes by  
24 increasing for the budget year beginning the following  
25 July 1, the state foundation base percentage. Moneys  
26 used pursuant to this paragraph shall supplant an equal  
27 amount of the appropriation made from the general fund  
28 of the state pursuant to section 257.16 that represents  
29 the increase in state foundation aid.

30 Sec. 13. NEW SECTION. 257.16B School district  
31 property tax replacement payments.

32 1. For each fiscal year beginning on or after July  
33 1, 2013, there is appropriated from the general fund  
34 of the state to the department of education an amount  
35 necessary to make all school district property tax  
36 replacement payments under this section, as calculated  
37 in subsection 2, paragraph "c".

38 2. For each budget year beginning on or after July  
39 1, 2013, the department of management shall calculate  
40 for each school district all of the following:

41 a. The state cost per pupil for the budget year  
42 beginning July 1, 2012, multiplied by one hundred  
43 percent less the regular program foundation base per  
44 pupil percentage pursuant to section 257.1.

45 b. The state cost per pupil for the budget year  
46 multiplied by one hundred percent less the regular  
47 program foundation base per pupil percentage pursuant  
48 to section 257.1.

49 c. The amount of each school district's property  
50 tax replacement payment. Each school district's

1 property tax replacement payment equals the school  
2 district's weighted enrollment for the budget year  
3 multiplied by the remainder of the amount calculated  
4 for the school district under paragraph "b" minus  
5 the amount calculated for the school district under  
6 paragraph "a".

7 3. School district property tax replacement  
8 payments under this section shall be paid by the  
9 department of education at the same time and in the  
10 same manner as foundation aid is paid and may be  
11 included in the monthly payment of state aid under  
12 section 257.16, subsection 2.

13 Sec. 14. CODE SECTION 257.8 - IMPLEMENTATION. The  
14 requirements of section 257.8, subsections 1 and  
15 2, regarding the enactment of bills establishing  
16 the regular program state percent of growth and the  
17 categorical state percent of growth within thirty days  
18 of the submission in the year preceding the base year  
19 of the governor's budget and regarding the subject  
20 matter limitation of such bills do not apply to this  
21 division of this Act.

22 Sec. 15. EFFECTIVE UPON ENACTMENT. This division  
23 of this Act, being deemed of immediate importance,  
24 takes effect upon enactment.

25 DIVISION III

26 SCHOOL DISTRICT FUNDING TERMINOLOGY

27 Sec. 16. Section 256C.4, subsection 1, paragraph f,  
28 Code 2013, is amended to read as follows:

29 f. The receipt of funding by a school district  
30 for the purposes of this chapter, the need for  
31 additional funding for the purposes of this chapter,  
32 or the enrollment count of eligible students under  
33 this chapter shall not be considered to be unusual  
34 circumstances, create an unusual need for additional  
35 funds, or qualify under any other circumstances that  
36 may be used by the school budget review committee  
37 to grant supplemental aid to or establish modified  
38 ~~allowable-growth supplemental state aid~~ for a school  
39 district under section 257.31.

40 Sec. 17. Section 257.2, subsection 1, Code 2013, is  
41 amended by striking the subsection.

42 Sec. 18. Section 257.2, subsection 12, Code 2013,  
43 is amended to read as follows:

44 12. "State percent of growth" means the percent  
45 of growth which is established by statute pursuant to  
46 section 257.8, and which is used in determining the  
47 ~~allowable-growth supplemental state aid~~.

48 Sec. 19. Section 257.2, Code 2013, is amended by  
49 adding the following new subsection:

50 NEW SUBSECTION. 12A. "Supplemental state aid" means

1 the amount by which state cost per pupil and district  
2 cost per pupil will increase from one budget year to  
3 the next.

4 Sec. 20. Section 257.6, subsection 1, paragraph  
5 a, subparagraph (5), Code 2013, is amended to read as  
6 follows:

7 (5) Resident pupils receiving competent private  
8 instruction from a licensed practitioner provided  
9 through a public school district pursuant to chapter  
10 299A shall be counted as three-tenths of one pupil.  
11 Revenues received by a school district attributed to  
12 a school district's weighted enrollment pursuant to  
13 this subparagraph shall be expended for the purpose  
14 for which the weighting was assigned under this  
15 subparagraph. If the school district determines that  
16 the expenditures associated with providing competent  
17 private instruction pursuant to chapter 299A are  
18 in excess of the revenue attributed to the school  
19 district's weighted enrollment for such instruction in  
20 accordance with this subparagraph, the school district  
21 may submit a request to the school budget review  
22 committee for modified ~~allowable-growth~~ supplemental  
23 state aid in accordance with section 257.31, subsection  
24 5, paragraph "n". A home school assistance program  
25 shall not provide moneys received pursuant to this  
26 subparagraph, nor resources paid for with moneys  
27 received pursuant to this subparagraph, to parents or  
28 students utilizing the program. Moneys received by a  
29 school district pursuant to this subparagraph shall be  
30 used as provided in section 299A.12.

31 Sec. 21. Section 257.8, subsections 3, 6, and 7,  
32 Code 2013, are amended to read as follows:

33 3. ~~Allowable-growth~~ Supplemental state aid  
34 calculation. The department of management shall  
35 calculate the regular program ~~allowable-growth~~  
36 supplemental state aid for a budget year by multiplying  
37 the state percent of growth for the budget year by  
38 the regular program state cost per pupil for the base  
39 year and shall calculate the special education support  
40 services ~~allowable-growth~~ supplemental state aid for  
41 the budget year by multiplying the state percent of  
42 growth for the budget year by the special education  
43 support services state cost per pupil for the base  
44 year.

45 6. Combined ~~allowable-growth~~ supplemental state  
46 aid. The combined ~~allowable-growth~~ supplemental state  
47 aid per pupil for each school district is the sum of  
48 the regular program ~~allowable-growth~~ supplemental  
49 state aid per pupil and the special education support  
50 services ~~allowable-growth~~ supplemental state aid per

1 pupil for the budget year, which may be modified as  
2 follows:

3 a. By the school budget review committee under  
4 section 257.31.

5 b. By the department of management under section  
6 257.36.

7 7. ~~Alternate allowable-growth supplemental state~~  
8 ~~aid~~ - definitions. For budget years beginning July  
9 1, 2000, and subsequent budget years, references  
10 to the terms "~~allowable-growth~~" "supplemental state  
11 aid", "regular program state cost per pupil", and  
12 "regular program district cost per pupil" shall  
13 mean those terms as calculated for those school  
14 districts that calculated regular program ~~allowable~~  
15 ~~growth~~ supplemental state aid for the school budget  
16 year beginning July 1, 1999, with the additional  
17 thirty-eight dollars specified in section 257.8,  
18 subsection 4, Code 2013.

19 Sec. 22. Section 257.8, subsections 4 and 5, Code  
20 2013, are amended by striking the subsections.

21 Sec. 23. Section 257.9, subsection 1, paragraph b,  
22 Code 2013, is amended to read as follows:

23 b. The total calculated under this subsection shall  
24 be divided by the total of the budget enrollments of  
25 all school districts for the budget year beginning July  
26 1, 1990, calculated under section 257.6, subsection  
27 4, if section 257.6, subsection 4, had been in effect  
28 for that budget year. The regular program state  
29 cost per pupil for the budget year beginning July 1,  
30 1991, is the amount calculated by the department of  
31 management under this subsection plus ~~an allowable~~  
32 ~~growth~~ a supplemental state aid amount, as defined in  
33 this division of this Act, that is equal to the state  
34 percent of growth for the budget year multiplied by the  
35 amount calculated by the department of management under  
36 this subsection.

37 Sec. 24. Section 257.9, subsections 2, 4, 6, 7, 8,  
38 9, and 10, Code 2013, are amended to read as follows:

39 2. Regular program state cost per pupil for  
40 1992-1993 and succeeding years. For the budget year  
41 beginning July 1, 1992, and succeeding budget years,  
42 the regular program state cost per pupil for a budget  
43 year is the regular program state cost per pupil for  
44 the base year plus the regular program ~~allowable-growth~~  
45 supplemental state aid for the budget year.

46 4. Special education support services state cost  
47 per pupil for 1992-1993 and succeeding years. For the  
48 budget year beginning July 1, 1992, and succeeding  
49 budget years, the special education support services  
50 state cost per pupil for the budget year is the special



1 education support services state cost per pupil for the  
2 base year plus the special education support services  
3 ~~allowable growth~~ supplemental state aid for the budget  
4 year.

5 6. Teacher salary supplement state cost per  
6 pupil. For the budget year beginning July 1, 2009, for  
7 the teacher salary supplement state cost per pupil, the  
8 department of management shall add together the teacher  
9 compensation allocation made to each district for the  
10 fiscal year beginning July 1, 2008, pursuant to section  
11 284.13, subsection 1, paragraph "h", Code 2009, and  
12 the phase II allocation made to each district for the  
13 fiscal year beginning July 1, 2008, pursuant to section  
14 294A.9, Code 2009, and divide that sum by the statewide  
15 total budget enrollment for the fiscal year beginning  
16 July 1, 2009. The teacher salary supplement state  
17 cost per pupil for the budget year beginning July 1,  
18 2010, and succeeding budget years, shall be the amount  
19 calculated by the department of management under this  
20 subsection for the base year plus ~~an allowable growth~~  
21 a supplemental state aid amount that is equal to the  
22 teacher salary supplement categorical state percent of  
23 growth, pursuant to section 257.8, subsection 2, for  
24 the budget year, multiplied by the amount calculated  
25 by the department of management under this subsection  
26 for the base year.

27 7. Professional development supplement state cost  
28 per pupil. For the budget year beginning July 1, 2009,  
29 for the professional development supplement state  
30 cost per pupil, the department of management shall  
31 add together the professional development allocation  
32 made to each district for the fiscal year beginning  
33 July 1, 2008, pursuant to section 284.13, subsection  
34 1, paragraph "d", Code 2009, and divide that sum  
35 by the statewide total budget enrollment for the  
36 fiscal year beginning July 1, 2009. The professional  
37 development supplement state cost per pupil for the  
38 budget year beginning July 1, 2010, and succeeding  
39 budget years, shall be the amount calculated by the  
40 department of management under this subsection for  
41 the base year plus ~~an allowable growth~~ a supplemental  
42 state aid amount that is equal to the professional  
43 development supplement categorical state percent of  
44 growth, pursuant to section 257.8, subsection 2, for  
45 the budget year, multiplied by the amount calculated  
46 by the department of management under this subsection  
47 for the base year.

48 8. Early intervention supplement state cost per  
49 pupil. For the budget year beginning July 1, 2009,  
50 for the early intervention supplement state cost per



1 pupil, the department of management shall add together  
2 the early intervention allocation made to each district  
3 for the fiscal year beginning July 1, 2008, pursuant  
4 to section 256D.4, Code 2009, and divide that sum by  
5 the statewide total budget enrollment for the fiscal  
6 year beginning July 1, 2009. The early intervention  
7 supplement state cost per pupil for the budget year  
8 beginning July 1, 2010, and succeeding budget years,  
9 shall be the amount calculated by the department of  
10 management under this subsection for the base year plus  
11 ~~an allowable growth~~ a supplemental state aid amount  
12 that is equal to the early intervention supplement  
13 categorical state percent of growth, pursuant to  
14 section 257.8, subsection 2, for the budget year,  
15 multiplied by the amount calculated by the department  
16 of management under this subsection for the base year.

17 9. Area education agency teacher salary supplement  
18 state cost per pupil. For the budget year beginning  
19 July 1, 2009, for the area education agency teacher  
20 salary supplement state cost per pupil, the department  
21 of management shall add together the teacher  
22 compensation allocation made to each area education  
23 agency for the fiscal year beginning July 1, 2008,  
24 pursuant to section 284.13, subsection 1, paragraph  
25 "i", Code 2009, and the phase II allocation made  
26 to each area education agency for the fiscal year  
27 beginning July 1, 2008, pursuant to section 294A.9,  
28 Code 2009, and divide that sum by the statewide special  
29 education support services weighted enrollment for  
30 the fiscal year beginning July 1, 2009. The area  
31 education agency teacher salary supplement state  
32 cost per pupil for the budget year beginning July 1,  
33 2010, and succeeding budget years, shall be the amount  
34 calculated by the department of management under this  
35 subsection for the base year plus ~~an allowable growth~~  
36 a supplemental state aid amount that is equal to the  
37 teacher salary supplement categorical state percent of  
38 growth, pursuant to section 257.8, subsection 2, for  
39 the budget year, multiplied by the amount calculated  
40 by the department of management under this subsection  
41 for the base year.

42 10. Area education agency professional development  
43 supplement state cost per pupil. For the budget year  
44 beginning July 1, 2009, for the area education agency  
45 professional development supplement state cost per  
46 pupil, the department of management shall add together  
47 the professional development allocation made to each  
48 area education agency for the fiscal year beginning  
49 July 1, 2008, pursuant to section 284.13, subsection  
50 1, paragraph "d", Code 2009, and divide that sum by

1 the statewide special education support services  
2 weighted enrollment for the fiscal year beginning  
3 July 1, 2009. The area education agency professional  
4 development supplement state cost per pupil for the  
5 budget year beginning July 1, 2010, and succeeding  
6 budget years, shall be the amount calculated by the  
7 department of management under this subsection for  
8 the base year plus ~~an allowable growth~~ a supplemental  
9 state aid amount that is equal to the professional  
10 development supplement categorical state percent of  
11 growth, pursuant to section 257.8, subsection 2, for  
12 the budget year, multiplied by the amount calculated  
13 by the department of management under this subsection  
14 for the base year.

15 Sec. 25. Section 257.10, subsection 1, Code 2013,  
16 is amended to read as follows:

17 1. Regular program district cost per pupil for  
18 1991-1992. For the budget year beginning July 1, 1991,  
19 in order to determine the regular program district  
20 cost per pupil for a district, the department of  
21 management shall divide the product of the regular  
22 program district cost per pupil of the district for  
23 the base year, as regular program district cost per  
24 pupil would have been calculated under section 442.9,  
25 Code 1989, multiplied by its budget enrollment for  
26 the base year as budget enrollment would have been  
27 calculated under section 442.4, Code 1989, plus the  
28 amount added to district cost pursuant to section  
29 442.21, Code 1989, for each school district, by the  
30 budget enrollment of the school district for the budget  
31 year beginning July 1, 1990, calculated under section  
32 257.6, subsection 4, as if section 257.6, subsection 4,  
33 had been in effect for that budget year. The regular  
34 program district cost per pupil for the budget year  
35 beginning July 1, 1991, is the amount calculated by the  
36 department of management under this subsection plus  
37 the ~~allowable growth~~ supplemental state aid amount,  
38 as defined in this division of this Act, calculated  
39 for regular program state cost per pupil, except that  
40 if the regular program district cost per pupil for  
41 the budget year calculated under this subsection in  
42 any school district exceeds one hundred ten percent  
43 of the regular program state cost per pupil for the  
44 budget year, the department of management shall reduce  
45 the regular program district cost per pupil of that  
46 district for the budget year to an amount equal to  
47 one hundred ten percent of the regular program state  
48 cost per pupil for the budget year, and if the regular  
49 program district cost per pupil for the budget year  
50 calculated under this subsection in any school district

1 is less than the regular program state cost per pupil  
2 for the budget year, the department of management shall  
3 increase the regular program district cost per pupil of  
4 that district to an amount equal to the regular program  
5 state cost per pupil for the budget year.

6 Sec. 26. Section 257.10, subsection 2, paragraph a,  
7 Code 2013, is amended to read as follows:

8 a. For the budget year beginning July 1, 1992, and  
9 succeeding budget years, the regular program district  
10 cost per pupil for each school district for a budget  
11 year is the regular program district cost per pupil for  
12 the base year plus the regular program ~~allowable growth~~  
13 supplemental state aid for the budget year except as  
14 otherwise provided in this subsection.

15 Sec. 27. Section 257.10, subsection 4, paragraph a,  
16 Code 2013, is amended to read as follows:

17 a. For the budget year beginning July 1, 1992, and  
18 succeeding budget years, the special education support  
19 services district cost per pupil for the budget year is  
20 the special education support services district cost  
21 per pupil for the base year plus the special education  
22 support services ~~allowable growth~~ supplemental state  
23 aid for the budget year.

24 Sec. 28. Section 257.10, subsection 5, Code 2013,  
25 is amended to read as follows:

26 5. Combined district cost per pupil. The combined  
27 district cost per pupil for a school district is the  
28 sum of the regular program district cost per pupil  
29 and the special education support services district  
30 cost per pupil. Combined district cost per pupil does  
31 not include modified ~~allowable growth~~ supplemental  
32 state aid added for school districts that have a  
33 negative balance of funds raised for special education  
34 instruction programs, modified ~~allowable growth~~  
35 supplemental state aid granted by the school budget  
36 review committee for a single school year, or modified  
37 ~~allowable growth~~ supplemental state aid added for  
38 programs for dropout prevention.

39 Sec. 29. Section 257.10, subsection 9, paragraph a,  
40 Code 2013, is amended to read as follows:

41 a. For the budget year beginning July 1, 2009,  
42 the department of management shall add together the  
43 teacher compensation allocation made to each district  
44 for the fiscal year beginning July 1, 2008, pursuant  
45 to section 284.13, subsection 1, paragraph "h", Code  
46 2009, and the phase II allocation made to each district  
47 for the fiscal year beginning July 1, 2008, pursuant  
48 to section 294A.9, Code 2009, and divide that sum by  
49 the district's budget enrollment in the fiscal year  
50 beginning July 1, 2009, to determine the teacher salary

1 supplement district cost per pupil. For the budget  
2 year beginning July 1, 2010, and succeeding budget  
3 years, the teacher salary supplement district cost per  
4 pupil for each school district for a budget year is  
5 the teacher salary supplement program district cost  
6 per pupil for the base year plus the teacher salary  
7 supplement ~~state allowable growth~~ supplemental state  
8 aid amount for the budget year.

9 Sec. 30. Section 257.10, subsection 10, paragraph  
10 a, Code 2013, is amended to read as follows:

11 a. For the budget year beginning July 1, 2009, the  
12 department of management shall divide the professional  
13 development allocation made to each district for the  
14 fiscal year beginning July 1, 2008, pursuant to section  
15 284.13, subsection 1, paragraph "d", Code 2009, by  
16 the district's budget enrollment in the fiscal year  
17 beginning July 1, 2009, to determine the professional  
18 development supplement cost per pupil. For the  
19 budget year beginning July 1, 2010, and succeeding  
20 budget years, the professional development supplement  
21 district cost per pupil for each school district for a  
22 budget year is the professional development supplement  
23 district cost per pupil for the base year plus the  
24 professional development supplement ~~state allowable~~  
25 ~~growth~~ supplemental state aid amount for the budget  
26 year.

27 Sec. 31. Section 257.10, subsection 11, paragraph  
28 a, Code 2013, is amended to read as follows:

29 a. For the budget year beginning July 1, 2009,  
30 the department of management shall divide the early  
31 intervention allocation made to each district for the  
32 fiscal year beginning July 1, 2008, pursuant to section  
33 256D.4, Code 2009, by the district's budget enrollment  
34 in the fiscal year beginning July 1, 2009, to determine  
35 the early intervention supplement cost per pupil. For  
36 the budget year beginning July 1, 2010, and succeeding  
37 budget years, the early intervention supplement  
38 district cost per pupil for each school district for  
39 a budget year is the early intervention supplement  
40 district cost per pupil for the base year plus the  
41 early development supplement ~~state allowable growth~~  
42 supplemental state aid amount for the budget year.

43 Sec. 32. Section 257.13, subsections 2 and 3, Code  
44 2013, are amended to read as follows:

45 2. The board of directors of a school district that  
46 wishes to receive an on-time funding budget adjustment  
47 shall adopt a resolution to receive the adjustment and  
48 notify the school budget review committee annually,  
49 but not earlier than November 1, as determined by the  
50 department of education. The school budget review

1 committee shall establish a modified ~~allowable-growth~~  
2 supplemental state aid in an amount determined pursuant  
3 to subsection 1.

4 3. If the board of directors of a school district  
5 determines that a need exists for additional funds  
6 exceeding the authorized budget adjustment for on-time  
7 funding pursuant to this section, a request for  
8 modified ~~allowable-growth~~ supplemental state aid based  
9 upon increased enrollment may be submitted to the  
10 school budget review committee as provided in section  
11 257.31.

12 Sec. 33. Section 257.31, subsection 5, unnumbered  
13 paragraph 1, Code 2013, is amended to read as follows:

14 If a district has unusual circumstances, creating  
15 an unusual need for additional funds, including  
16 but not limited to the circumstances enumerated in  
17 paragraphs "a" through "n", the committee may grant  
18 supplemental aid to the district from any funds  
19 appropriated to the department of education for  
20 the use of the school budget review committee for  
21 the purposes of this subsection. The school budget  
22 review committee shall review a school district's  
23 unexpended fund balance prior to any decision regarding  
24 unusual finance circumstances. Such aid shall be  
25 miscellaneous income and shall not be included in  
26 district cost. In addition to or as an alternative to  
27 granting supplemental aid the committee may establish  
28 a modified ~~allowable-growth~~ supplemental state aid  
29 for the district by increasing its ~~allowable-growth~~  
30 supplemental state aid. The school budget review  
31 committee shall review a school district's unspent  
32 balance prior to any decision to increase modified  
33 ~~allowable-growth~~ supplemental state aid under this  
34 subsection.

35 Sec. 34. Section 257.31, subsection 6, paragraph a,  
36 Code 2013, is amended to read as follows:

37 a. The committee shall establish a modified  
38 ~~allowable-growth~~ supplemental state aid for a district  
39 by increasing its ~~allowable-growth~~ supplemental  
40 state aid when the district submits evidence that it  
41 requires additional funding for removal, management,  
42 or abatement of environmental hazards due to a state  
43 or federal requirement. Environmental hazards  
44 shall include but are not limited to the presence of  
45 asbestos, radon, or the presence of any other hazardous  
46 material dangerous to health and safety.

47 Sec. 35. Section 257.31, subsection 7, paragraph b,  
48 Code 2013, is amended to read as follows:

49 b. Other expenditures, including but not limited  
50 to expenditures for salaries or recurring costs, are

1 not authorized under this subsection. Expenditures  
2 authorized under this subsection shall not be included  
3 in ~~allowable growth supplemental state aid~~ or district  
4 cost, and the portion of the unexpended fund balance  
5 which is authorized to be spent shall be regarded as if  
6 it were miscellaneous income. Any part of the amount  
7 not actually spent for the authorized purpose shall  
8 revert to its former status as part of the unexpended  
9 fund balance.

10 Sec. 36. Section 257.31, subsection 14, paragraph  
11 b, subparagraph (3), Code 2013, is amended to read as  
12 follows:

13 (3) A school district is only eligible to receive  
14 supplemental aid payments during the budget year if  
15 the school district certifies to the school budget  
16 review committee that for the year following the  
17 budget year it will notify the school budget review  
18 committee to instruct the director of the department of  
19 management to increase the district's ~~allowable growth~~  
20 supplemental state aid and will fund the ~~allowable~~  
21 ~~growth supplemental state aid~~ increase either by using  
22 moneys from its unexpended fund balance to reduce the  
23 district's property tax levy or by using cash reserve  
24 moneys to equal the amount of the deficit that would  
25 have been property taxes and any part of the state aid  
26 portion of the deficit not received as supplemental aid  
27 under this subsection. The director of the department  
28 of management shall make the necessary adjustments to  
29 the school district's budget to provide the modified  
30 ~~allowable growth supplemental state aid~~ and shall make  
31 the supplemental aid payments.

32 Sec. 37. Section 257.32, subsection 1, paragraph a,  
33 Code 2013, is amended to read as follows:

34 a. An area education agency budget review procedure  
35 is established for the school budget review committee  
36 created in section 257.30. The school budget review  
37 committee, in addition to its duties under section  
38 257.31, shall meet and hold hearings each year to  
39 review unusual circumstances of area education  
40 agencies, either upon the committee's motion or upon  
41 the request of an area education agency. The committee  
42 may grant supplemental aid to the area education agency  
43 from funds appropriated to the department of education  
44 for area education agency budget review purposes, or  
45 an amount may be added to the area education agency  
46 special education support services ~~allowable growth~~  
47 supplemental state aid for districts in an area or  
48 an additional amount may be added to district cost  
49 for media services or educational services for all  
50 districts in an area for the budget year either on a



1 temporary or permanent basis, or both.

2 Sec. 38. Section 257.37, subsections 1 and 3, Code  
3 2013, are amended to read as follows:

4 1. For the budget year beginning July 1, 1991,  
5 and succeeding budget years, the total amount funded  
6 in each area for media services shall be computed as  
7 provided in this subsection. For the budget year  
8 beginning July 1, 1991, the total amount funded in  
9 each area for media services in the base year shall  
10 be divided by the enrollment served in the base year  
11 to provide an area media services cost per pupil in  
12 the base year, and the department of management shall  
13 compute the state media services cost per pupil in the  
14 base year which is equal to the average of the area  
15 media services costs per pupil in the base year. For  
16 the budget year beginning July 1, 1991, and succeeding  
17 budget years, the department of management shall  
18 compute the ~~allowable growth~~ supplemental state aid  
19 for media services in the budget year by multiplying  
20 the state media services cost per pupil in the base  
21 year times the state percent of growth for the budget  
22 year, and the total amount funded in each area for  
23 media services cost in the budget year equals the  
24 area media services cost per pupil in the base year  
25 plus the ~~allowable growth~~ supplemental state aid for  
26 media services in the budget year times the enrollment  
27 served in the budget year. Funds shall be paid to area  
28 education agencies as provided in section 257.35.

29 3. For the budget year beginning July 1, 1991, and  
30 succeeding budget years, the total amount funded in  
31 each area for educational services shall be computed  
32 as provided in this subsection. For the budget year  
33 beginning July 1, 1991, the total amount funded in each  
34 area for educational services in the base year shall  
35 be divided by the enrollment served in the area in  
36 the base year to provide an area educational services  
37 cost per pupil in the base year, and the department  
38 of management shall compute the state educational  
39 services cost per pupil in the base year, which is  
40 equal to the average of the area educational services  
41 costs per pupil in the base year. For the budget  
42 year beginning July 1, 1991, and succeeding budget  
43 years, the department of management shall compute the  
44 ~~allowable growth~~ supplemental state aid for educational  
45 services by multiplying the state educational services  
46 cost per pupil in the base year times the state percent  
47 of growth for the budget year, and the total amount  
48 funded in each area for educational services for the  
49 budget year equals the area educational services cost  
50 per pupil for the base year plus the ~~allowable growth~~



1 supplemental state aid for educational services in the  
2 budget year times the enrollment served in the area in  
3 the budget year. Funds shall be paid to area education  
4 agencies as provided in section 257.35.

5 Sec. 39. Section 257.37A, subsection 1, paragraph  
6 a, Code 2013, is amended to read as follows:

7 a. For the budget year beginning July 1, 2009,  
8 the department of management shall add together the  
9 teacher compensation allocation made to each area  
10 education agency for the fiscal year beginning July  
11 1, 2008, pursuant to section 284.13, subsection 1,  
12 paragraph "i", Code 2009, and the phase II allocation  
13 made to each area education agency for the fiscal year  
14 beginning July 1, 2008, pursuant to section 294A.9,  
15 Code 2009, and divide that sum by the special education  
16 support services weighted enrollment in the fiscal  
17 year beginning July 1, 2009, to determine the area  
18 education agency teacher salary supplement cost per  
19 pupil. For the budget year beginning July 1, 2010,  
20 and succeeding budget years, the area education agency  
21 teacher salary supplement district cost per pupil  
22 for each area education agency for a budget year is  
23 the area education agency teacher salary supplement  
24 district cost per pupil for the base year plus the  
25 area education agency teacher salary supplement ~~state~~  
26 ~~allowable growth~~ supplemental state aid amount for the  
27 budget year.

28 Sec. 40. Section 257.37A, subsection 2, paragraph  
29 a, Code 2013, is amended to read as follows:

30 a. For the budget year beginning July 1, 2009,  
31 the department of management shall divide the area  
32 education agency professional development supplement  
33 made to each area education agency for the fiscal year  
34 beginning July 1, 2008, pursuant to section 284.13,  
35 subsection 1, paragraph "d", Code 2009, by the special  
36 education support services weighted enrollment in  
37 the fiscal year beginning July 1, 2009, to determine  
38 the professional development supplement cost per  
39 pupil. For the budget year beginning July 1, 2010,  
40 and succeeding budget years, the area education agency  
41 professional development supplement district cost per  
42 pupil for each area education agency for a budget year  
43 is the area education agency professional development  
44 supplement district cost per pupil for the base year  
45 plus the area education agency professional development  
46 supplement ~~state allowable growth~~ supplemental state  
47 aid amount for the budget year.

48 Sec. 41. Section 257.38, subsection 1, unnumbered  
49 paragraph 1, Code 2013, is amended to read as follows:

50 Boards of school districts, individually or jointly

1 with boards of other school districts, requesting  
2 to use modified ~~allowable-growth~~ supplemental state  
3 aid for programs for returning dropouts and dropout  
4 prevention, shall submit comprehensive program plans  
5 for the programs and budget costs, including annual  
6 requests for modified ~~allowable-growth~~ supplemental  
7 state aid for funding the programs, to the department  
8 of education as a component of the comprehensive school  
9 improvement plan submitted to the department pursuant  
10 to section 256.7, subsection 21. The program plans  
11 shall include:

12 Sec. 42. Section 257.38, subsection 2, Code 2013,  
13 is amended to read as follows:

14 2. Program plans shall identify the parts of the  
15 plan that will be implemented first upon approval  
16 of the request. If a district is requesting to use  
17 modified ~~allowable-growth~~ supplemental state aid  
18 to finance the program, the school district shall  
19 not identify more than five percent of its budget  
20 enrollment for the budget year as returning dropouts  
21 and potential dropouts.

22 Sec. 43. Section 257.40, Code 2013, is amended to  
23 read as follows:

24 257.40 Approval of programs for returning dropouts  
25 and dropout prevention – annual report.

26 1. The board of directors of a school district  
27 requesting to use modified ~~allowable-growth~~  
28 supplemental state aid for programs for returning  
29 dropouts and dropout prevention shall submit requests  
30 for modified at-risk ~~allowable-growth~~ supplemental  
31 state aid, including budget costs, to the department  
32 not later than December 15 of the year preceding the  
33 budget year during which the program will be offered.  
34 The department shall review the request and shall prior  
35 to January 15 either grant approval for the request  
36 or return the request for approval with comments of  
37 the department included. An unapproved request for a  
38 program may be resubmitted with modifications to the  
39 department not later than February 1. Not later than  
40 February 15, the department shall notify the department  
41 of management and the school budget review committee of  
42 the names of the school districts for which programs  
43 using modified ~~allowable-growth~~ supplemental state aid  
44 for funding have been approved and the approved budget  
45 of each program listed separately for each school  
46 district having an approved request.

47 2. Beginning January 15, 2007, the department shall  
48 submit an annual report to the chairpersons and ranking  
49 members of the senate and house education committees  
50 that includes the ways school districts in the previous

1 school year used modified ~~allowable-growth~~ supplemental  
2 state aid approved under subsection 1; identifies,  
3 by grade level, age, and district size, the students  
4 in the dropout and dropout prevention programs for  
5 which the department approves a request; describes  
6 school district progress toward increasing student  
7 achievement and attendance for the students in the  
8 programs; and describes how the school districts are  
9 using the revenues from the modified ~~allowable-growth~~  
10 supplemental state aid to improve student achievement  
11 among minority subgroups.

12 Sec. 44. Section 257.41, subsections 1 and 3, Code  
13 2013, are amended to read as follows:

14 1. Budget. The budget of an approved program for  
15 returning dropouts and dropout prevention for a school  
16 district, after subtracting funds received from other  
17 sources for that purpose, shall be funded annually on  
18 a basis of one-fourth or more from the district cost  
19 of the school district and up to three-fourths by an  
20 increase in ~~allowable-growth~~ supplemental state aid as  
21 defined in section 257.8. Annually, the department of  
22 management shall establish a modified ~~allowable-growth~~  
23 supplemental state aid for each such school district  
24 equal to the difference between the approved budget  
25 for the program for returning dropouts and dropout  
26 prevention for that district and the sum of the amount  
27 funded from the district cost of the school district  
28 plus funds received from other sources.

29 3. Limitation. For the fiscal year beginning  
30 July 1, 2013, and each succeeding fiscal year, the  
31 ratio of the amount of modified ~~allowable-growth~~  
32 supplemental state aid established by the department  
33 of management compared to the school district's total  
34 regular program district cost shall not exceed two and  
35 one-half percent. However, if the school district's  
36 highest such ratio so determined for any fiscal year  
37 beginning on or after July 1, 2009, but before July 1,  
38 2013, exceeded two and one-half percent, the ratio may  
39 exceed two and one-half percent but shall not exceed  
40 the highest such ratio established during that period.

41 Sec. 45. Section 257.46, subsection 2, Code 2013,  
42 is amended to read as follows:

43 2. The remaining portion of the budget shall be  
44 funded by the thirty-eight dollar increase in ~~allowable~~  
45 ~~growth~~ supplemental state aid, as defined in this  
46 division of this Act, for the school budget year  
47 beginning July 1, 1999, multiplied by a district's  
48 budget enrollment. The thirty-eight dollar increase  
49 for the school budget year beginning July 1, 1999,  
50 shall increase in subsequent years by each year's state

1 percent of growth. School districts shall annually  
2 report the amount expended for a gifted and talented  
3 program to the department of education. The proportion  
4 of a school district's budget which corresponds to  
5 the thirty-eight dollar increase in ~~allowable growth~~  
6 supplemental state aid, as defined in this division of  
7 this Act, for the school budget year beginning July 1,  
8 1999, added to the amount in subsection 1, shall be  
9 utilized exclusively for a school district's gifted and  
10 talented program.

11 Sec. 46. Section 273.23, subsection 8, Code 2013,  
12 is amended to read as follows:

13 8. For the school year beginning on the effective  
14 date of an area education agency reorganization as  
15 provided in this subchapter, the special education  
16 support services cost per pupil shall be based upon  
17 the combined base year budgets for special education  
18 support services of the area education agencies that  
19 reorganized to form the newly formed area education  
20 agency, divided by the total of the weighted enrollment  
21 for special education support services in the  
22 reorganized area education agency for the base year  
23 plus the ~~allowable growth~~ supplemental state aid amount  
24 per pupil for special education support services for  
25 the budget year as calculated in section 257.8.

26 Sec. 47. Section 280.4, subsection 3, Code 2013, is  
27 amended to read as follows:

28 3. In order to provide funds for the excess costs  
29 of instruction of limited English proficient students  
30 above the costs of instruction of pupils in a regular  
31 curriculum, students identified as limited English  
32 proficient shall be assigned an additional weighting  
33 of twenty-two hundredths, and that weighting shall  
34 be included in the weighted enrollment of the school  
35 district of residence for a period not exceeding four  
36 years. However, the school budget review committee may  
37 grant supplemental aid or modified ~~allowable growth~~  
38 supplemental state aid to a school district to continue  
39 funding a program for students after the expiration of  
40 the four-year period.

41 Sec. 48. APPLICABILITY. This division of this Act  
42 applies to school budget years beginning on or after  
43 July 1, 2014.

44 DIVISION IV

45 IOWA ONLINE INITIATIVE - FEES

46 Sec. 49. Section 256.42, Code 2013, is amended by  
47 adding the following new subsection:

48 NEW SUBSECTION. 8. a. Beginning July 1, 2016,  
49 the department shall establish fees payable by  
50 school districts and accredited nonpublic schools

1 participating in the initiative. Fees collected  
2 pursuant to this subsection shall be deposited in the  
3 general fund of the state and shall be established  
4 so as not to exceed the cost of administering this  
5 section.

6 b. Costs of administering this section include  
7 the costs of providing professional development  
8 necessary to prepare teachers to participate in  
9 the initiative, providing supervision of usage of  
10 the initiative by licensed teachers, acquiring and  
11 maintaining equipment and services necessary for use of  
12 the initiative, facilitating access to the initiative  
13 by school districts and accredited nonpublic schools,  
14 and necessary recordkeeping and accounting. Costs of  
15 administering this section do not include any of the  
16 following:

17 (1) Costs of course development.

18 (2) Costs of purchasing access to course materials  
19 unless such costs are charged on the basis of usage.

20 DIVISION V

21 TRAINING AND EMPLOYMENT OF TEACHERS

22 Sec. 50. Section 261.2, subsection 8, Code 2013, is  
23 amended to read as follows:

24 8. Submit by January 15 annually a report to the  
25 general assembly which provides, by program, the number  
26 of individuals who received loan forgiveness in the  
27 previous fiscal year, the amount paid to individuals  
28 under sections 261.23, and 261.73, ~~and 261.112~~, and  
29 the institutions from which individuals graduated, and  
30 that includes any proposed statutory changes and the  
31 commission's findings and recommendations.

32 Sec. 51. NEW SECTION. 261.110 Teach Iowa scholar  
33 program.

34 1. A teach Iowa scholar program is established  
35 to provide teach Iowa scholar grants to selected  
36 high-caliber teachers. The commission shall administer  
37 the program in collaboration with the department of  
38 education.

39 2. An Iowa resident or nonresident applicant shall  
40 be eligible for a teach Iowa scholar grant if the  
41 applicant meets all of the criteria specified under, or  
42 established in accordance with, subsection 3.

43 3. Criteria for eligibility shall be established by  
44 the commission and shall include but are not limited  
45 to the following:

46 a. The applicant was in the top twenty-five percent  
47 academically of students exiting a teacher preparation  
48 program approved by the state board of education  
49 pursuant to section 256.7, subsection 3, or a similar  
50 teacher preparation program in another state, or had

1 earned other comparable academic credentials.

2 b. The applicant is preparing to teach in fields  
3 including but not limited to science, technology,  
4 engineering, or mathematics; or is preparing to  
5 teach in a hard-to-staff subject as identified by the  
6 department. The department shall annually identify and  
7 designate hard-to-staff subjects for the purpose of  
8 this paragraph.

9 4. A selected applicant who meets all of the  
10 eligibility requirements of this section shall be  
11 eligible for a teach Iowa scholar grant for each year  
12 of full-time employment completed in this state as a  
13 teacher for a school district, charter school, area  
14 education agency, or accredited nonpublic school. A  
15 teach Iowa scholar grant shall not exceed four thousand  
16 dollars per year per recipient. Grants awarded under  
17 this section shall not exceed a total of twenty  
18 thousand dollars per recipient over a five-year period.

19 5. The commission, in collaboration with the  
20 department of education, shall adopt rules pursuant  
21 to chapter 17A to administer this section. The rules  
22 shall include but shall not be limited to a process  
23 for use by the commission to determine which eligible  
24 applicants will receive teach Iowa scholar grants.

25 6. A teach Iowa scholar fund is established in the  
26 state treasury. The fund shall be administered by the  
27 commission and shall consist of moneys appropriated by  
28 the general assembly and any other moneys received by  
29 the commission for deposit in the fund. The moneys in  
30 the fund are appropriated to the commission for the  
31 teach Iowa scholar program. Notwithstanding section  
32 8.33, moneys in the fund at the close of the fiscal  
33 year shall not revert to the general fund of the state  
34 but shall remain available for expenditure for the  
35 teach Iowa scholar program for subsequent fiscal years.  
36 Notwithstanding section 12C.7, subsection 2, interest  
37 or earnings on moneys in the fund shall be credited to  
38 the fund.

39 Sec. 52. REPEAL. Section 261.112, Code 2013, is  
40 repealed.

41 Sec. 53. SCHOOL YEAR-LONG STUDENT TEACHING FIELD  
42 EXPERIENCE REQUIREMENT - STUDY.

43 1. a. Each practitioner preparation program  
44 offered at an institution of higher learning governed  
45 by the state board of regents shall convene a  
46 study committee of education faculty members to  
47 study the feasibility of establishing professional  
48 development schools for preservice teacher candidates  
49 in collaboration with school districts, and the  
50 feasibility of requiring students enrolled in



1 practitioner preparation programs to complete a field  
2 experience lasting one full school year.

3 b. Each study committee shall evaluate for its  
4 institution the following issues relating specifically  
5 to a proposed professional development school and  
6 relating specifically to a proposed full school year of  
7 student teaching field experience:

8 (1) The impact on the likelihood a student will  
9 graduate within four years, including but not limited  
10 to consideration of the cost to a student, student debt  
11 load, and class scheduling.

12 (2) The impact on university faculty and the need  
13 to employ more faculty, including the need to deliver  
14 coursework and supervision to student teachers in the  
15 field.

16 (3) The availability of an adequate number of  
17 placements in prekindergarten through grade twelve  
18 schools and the impact on a school district, including  
19 but not limited to the district's cost to compensate  
20 cooperating teachers.

21 (4) The likely impact on the abilities and  
22 performance of a student teacher and whether the  
23 benefits outweigh the costs.

24 (5) The likely impact on student achievement of  
25 students in the student teacher's classroom.

26 c. The study committees convened pursuant to  
27 paragraph "a" shall submit their findings and  
28 recommendations in a report to the state board of  
29 regents, the department of education, the board of  
30 educational examiners, the governor, and the general  
31 assembly by December 2, 2013.

32 2. The Iowa association of independent colleges  
33 is encouraged to form a study committee comprised  
34 of education faculty members with duties similar to  
35 those provided for in subsection 1 for its member  
36 institutions which offer approved practitioner  
37 preparation programs, and to submit any resulting  
38 findings and recommendations to the general assembly  
39 by December 2, 2013.

40 Sec. 54. TRANSITION FUNDING PROVISIONS. On July 1,  
41 2014, any unobligated and unencumbered moneys in the  
42 teacher shortage loan forgiveness repayment fund shall  
43 revert to the general fund of the state. Any remaining  
44 obligations of the teacher shortage loan forgiveness  
45 program continuing on or after July 1, 2014, shall  
46 be met with moneys in the teach Iowa scholar fund  
47 established by section 261.110.

48 Sec. 55. EFFECTIVE DATE. The following provisions  
49 of this division of this Act take effect July 1, 2014:

50 1. The section of this division of this Act



1 amending section 261.2.

2 2. The section of this division of this Act

3 repealing section 261.112.

4 DIVISION VI

5 TEACHER AND ADMINISTRATOR DEVELOPMENT SYSTEM

6 Sec. 56. Section 256.7, Code 2013, is amended by

7 adding the following new subsections:

8 NEW SUBSECTION. 33. Adopt rules establishing a  
9 statewide system of evaluation and performance review  
10 requirements for teachers and a statewide system of  
11 evaluation requirements for administrators. The  
12 systems shall align with Iowa teaching standards  
13 or the Iowa standards for school administrators, as  
14 appropriate, and shall use clear and concise evaluation  
15 and performance review criteria and descriptors;  
16 provide for a fair and balanced use of student outcome  
17 measures, comprised of objective, reliable measurers  
18 of student growth, classroom observations and student  
19 surveys; include a tiered evaluation or performance  
20 review system that differentiates at least four tiers  
21 of teacher performance; and be applicable to all  
22 teachers and school administrators, as appropriate, in  
23 a charter school, school district, or area education  
24 agency.

25 NEW SUBSECTION. 34. a. Develop by July 1,  
26 2015, additional Iowa teaching standards designed  
27 specifically for purposes of chapters 279 and 284.  
28 The additional standards shall align with nationally  
29 accepted teaching standards. The Iowa teaching  
30 standards developed pursuant to this paragraph "a"  
31 shall be based on significant input from the council on  
32 educator development established and convened by the  
33 director.

34 b. Develop additional Iowa standards for school  
35 administrators designed specifically for purposes of  
36 chapters 272 and 284A. The standards shall be based  
37 on significant input from Iowa administrators and  
38 align with nationally accepted school administrator  
39 standards.

40 c. Submit by October 15, 2015, to the general  
41 assembly recommendations relating to implementation  
42 of the additional standards developed pursuant to  
43 this subsection for changes in policy or statute.  
44 If implementation of the additional Iowa teaching  
45 standards developed pursuant to paragraph "a" or  
46 implementation of the additional Iowa standards for  
47 school administrators development pursuant to paragraph  
48 "b" require a change in policy or statute, the change  
49 shall not be made without statutory approval.

50 Sec. 57. Section 256.9, subsections 46 and 51, Code

1 2013, are amended to read as follows:

2 46. Develop core knowledge and skill criteria,  
3 ~~based upon~~ significantly shaped by the Iowa teaching  
4 standards and the interstate teacher assessment and  
5 support consortium's model core teaching standards,  
6 for the evaluation, the advancement, and for teacher  
7 career development purposes pursuant to chapter 284.  
8 The criteria shall further define the characteristics  
9 of quality teaching as established by the Iowa teaching  
10 standards and the interstate teacher assessment and  
11 support consortium's model core teaching standards.  
12 The director, in consultation with the board of  
13 educational examiners, shall also develop a transition  
14 plan for implementation of the career development  
15 standards developed pursuant to section 256.7,  
16 subsection 25, with regard to licensure renewal  
17 requirements. The plan shall include a requirement  
18 that practitioners be allowed credit for career  
19 development completed prior to implementation of the  
20 career development standards developed pursuant to  
21 section 256.7, subsection 25.

22 51. Develop, and periodically review and revise as  
23 necessary, Iowa standards for school administrators,  
24 including knowledge and skill criteria, and develop,  
25 based on the Iowa standards for administrators,  
26 mentoring and induction, evaluation processes,  
27 and professional development plans pursuant to  
28 chapter 284A. The criteria shall further define  
29 the characteristics of quality administrators  
30 as established by the Iowa standards for school  
31 administrators.

32 Sec. 58. Section 256.9, Code 2013, is amended by  
33 adding the following new subsection:

34 NEW SUBSECTION. 63. Do all of the following by  
35 July 1, 2015, in order to develop and implement an Iowa  
36 educator development system:

37 a. Based upon the standards developed pursuant  
38 to section 256.7, subsection 34, the director shall  
39 develop core knowledge and skill criteria for the  
40 evaluation and advancement of teachers, and for teacher  
41 career development purposes pursuant to chapter 284.  
42 The criteria shall further define the characteristics  
43 of quality teaching as significantly shaped by the  
44 Iowa teaching standards and the interstate teacher  
45 assessment and support consortium's model core teaching  
46 standards.

47 b. Review and, where necessary, revise the  
48 standards and requirements for the evaluator training  
49 program established pursuant to section 284.10.

50 c. Develop and implement a coaching and support

1 system for teachers aligned with the Iowa teacher  
2 career paths, leadership roles, and compensation  
3 framework established pursuant to section 284.15, if  
4 enacted.

5 d. Develop and implement a coaching and support  
6 system for administrators aligned with the beginning  
7 administrator mentoring and induction program created  
8 pursuant to section 284A.5.

9 Sec. 59. Section 272.9A, subsection 1, Code 2013,  
10 is amended to read as follows:

11 1. ~~Beginning July 1, 2007, requirements~~  
12 Requirements for administrator licensure beyond an  
13 initial license shall include completion of a beginning  
14 administrator mentoring and induction program and  
15 demonstration of competence on the ~~administrator Iowa~~  
16 standards for school administrators adopted pursuant to  
17 section 284A.3 256.7, subsection 27.

18 Sec. 60. Section 279.14, subsection 1, Code 2013,  
19 is amended to read as follows:

20 1. The board shall establish written evaluation  
21 criteria and shall establish and annually implement  
22 evaluation procedures. The evaluation criteria and  
23 procedures shall be consistent with the statewide  
24 system of performance review requirements established  
25 by the state board pursuant to section 256.7,  
26 subsection 33, and the provisions of chapter 284.

27 If an exclusive bargaining representative has been  
28 certified, the board shall negotiate in good faith with  
29 respect to evaluation procedures pursuant to chapter  
30 20.

31 Sec. 61. Section 279.23A, Code 2013, is amended to  
32 read as follows:

33 279.23A Evaluation criteria and procedures.  
34 The board shall establish written evaluation  
35 criteria and shall establish and annually implement  
36 evaluation procedures. The evaluation criteria and  
37 procedures shall be consistent with the statewide  
38 system of evaluation requirements for administrators  
39 established by the state board pursuant to section  
40 256.7, subsection 33, and with the provisions of  
41 chapter 284A. The board shall also establish written  
42 job descriptions for all supervisory positions.

43 Sec. 62. Section 284.3, subsections 2 and 3, Code  
44 2013, are amended to read as follows:

45 2. A school board shall provide for the following:

46 a. For purposes of comprehensive evaluations  
47 for beginning teachers required to allow beginning  
48 teachers to progress to career teachers, standards  
49 and criteria that are the Iowa teaching standards  
50 specified in subsection 1 and the criteria for the

1 Iowa teaching standards developed by the ~~department~~  
2 ~~in accordance with section 256.9, subsection 46~~  
3 ~~director~~. These standards and criteria shall be set  
4 forth in an instrument provided by the department. The  
5 comprehensive evaluation and instrument are not subject  
6 to negotiations or grievance procedures pursuant  
7 to chapter 20 or determinations made by the board  
8 of directors under section 279.14. A local school  
9 board and its certified bargaining representative may  
10 negotiate, pursuant to chapter 20, evaluation and  
11 grievance procedures for beginning teachers that are  
12 not in conflict with this chapter. If, in accordance  
13 with section 279.19, a beginning teacher appeals the  
14 determination of a school board to an adjudicator under  
15 section 279.17, the adjudicator selected shall have  
16 successfully completed training related to the Iowa  
17 teacher standards, the criteria adopted by the state  
18 board of education in accordance with subsection 3, and  
19 any additional training required under rules adopted by  
20 the public employment relations board in cooperation  
21 with the state board of education.

22 b. For purposes of performance reviews for teachers  
23 other than beginning teachers, evaluations that  
24 contain, at a minimum, the Iowa teaching standards  
25 specified in subsection 1 and the interstate teacher  
26 assessment and support consortium's model core  
27 teaching standards, as well as ~~the criteria for~~  
28 ~~the Iowa additional~~ teaching standards developed  
29 by the department ~~in accordance with section 256.9,~~  
30 ~~subsection 46~~ state board if implementation of the  
31 additional standards receives statutory approval,  
32 and a balanced use of student outcome measurers,  
33 comprised of objective, reliable measures of student  
34 growth, classroom observation, and student surveys.

35 A local school board and its certified bargaining  
36 representative may negotiate, pursuant to chapter  
37 20, additional teaching standards and criteria. A  
38 local school board and its certified bargaining  
39 representative shall negotiate, pursuant to chapter 20,  
40 evaluation and grievance procedures for teachers other  
41 than beginning teachers that are not in conflict with  
42 this chapter.

43 3. The state board shall adopt by rule pursuant to  
44 chapter 17A the criteria developed by the ~~department in~~  
45 ~~accordance with section 256.9, subsection 46~~ director.

46 Sec. 63. Section 284.8, subsection 2, Code 2013, is  
47 amended to read as follows:

48 2. If a supervisor or an evaluator determines, at  
49 any time, as a result of a teacher's performance that  
50 the teacher is not meeting district expectations under

1 the Iowa teaching standards specified in section 284.3,  
2 subsection 1, paragraphs "a" through "h", the criteria  
3 for the Iowa teaching standards developed by the  
4 ~~department in accordance with section 256.9, subsection~~  
5 ~~46~~ director, and any other standards or criteria  
6 established in the collective bargaining agreement,  
7 the evaluator shall, at the direction of the teacher's  
8 supervisor, recommend to the district that the teacher  
9 participate in an intensive assistance program. The  
10 intensive assistance program and its implementation  
11 are subject to negotiation and grievance procedures  
12 established pursuant to chapter 20. All school  
13 districts shall be prepared to offer an intensive  
14 assistance program.

15 Sec. 64. Section 284A.2, subsection 3, Code 2013,  
16 is amended to read as follows:

17 3. "Comprehensive evaluation" means a summative  
18 evaluation of a beginning administrator conducted by  
19 an evaluator in accordance with section ~~284A.3~~ 284A.4  
20 for purposes of determining a beginning administrator's  
21 level of competency for recommendation for licensure  
22 based on the Iowa standards for school administrators  
23 adopted pursuant to section 256.7, subsection 27.

24 Sec. 65. Section 284A.3, Code 2013, is amended to  
25 read as follows:

26 284A.3 Iowa standards for school ~~administrators~~  
27 administrator evaluations.

28 By July 1, 2008, each school board shall provide  
29 for evaluations for administrators under individual  
30 professional development plans developed in accordance  
31 with section 279.23A, and the Iowa standards for  
32 school administrators and related criteria adopted  
33 by the state board in accordance with section 256.7,  
34 subsection 27. A local school board may establish  
35 additional administrator standards and related  
36 criteria. This section is repealed July 1, 2015.

37 Sec. 66. COUNCIL ON EDUCATOR DEVELOPMENT  
38 ESTABLISHED.

39 1. The director of the department of education  
40 shall establish and convene a council on educator  
41 development to review the current teacher and  
42 administrator evaluation requirements and the  
43 teacher performance review requirements, and to make  
44 recommendations to the director regarding improvement  
45 to the evaluation and performance review requirements  
46 for teachers and to the evaluation requirements for  
47 administrators.

48 2. The council shall make recommendations to the  
49 director concerning development of the following:

50 a. A holistic vision of teacher and administrator

1 development and dissemination of this vision to  
2 schools, school districts, and area education agencies.  
3 b. Methods designed to foster a culture of  
4 continuous learning and improvement within schools,  
5 school districts, and area education agencies with  
6 differentiated supports for educators.  
7 c. Iowa teaching standards and the administrator  
8 standards for school administrators.  
9 d. Performance review for teachers and evaluation  
10 criteria for teachers and administrators.  
11 e. A method for incorporating a fair and balanced  
12 use of student outcome measures comprised of objective,  
13 reliable measures of student growth, classroom  
14 observation, and student surveys, into teacher  
15 evaluations.  
16 f. A means to differentiate teacher performance  
17 into four tiers.  
18 3. The council shall be comprised of at least  
19 seventeen voting members appointed by the director as  
20 follows:  
21 a. Eight members representing education  
22 stakeholders; four of whom shall be practitioners  
23 knowledgeable about the Iowa core curriculum, and four  
24 of whom shall be knowledgeable about current education  
25 research and practice in educator quality.  
26 b. One member representing the department of  
27 education, who shall serve as chairperson of the  
28 council.  
29 c. One member representing the area education  
30 agencies.  
31 d. One member representing a certified employee  
32 organization representing teachers licensed under  
33 chapter 272.  
34 e. One member representing a statewide organization  
35 representing school administrators licensed under  
36 chapter 272.  
37 f. One member representing rural school districts  
38 selected by a statewide organization representing the  
39 boards of directors of school districts.  
40 g. One member representing an organization made  
41 up of Iowa school districts with the largest student  
42 enrollments.  
43 h. One member representing Iowa's approved teacher  
44 preparation programs.  
45 i. One member representing Iowa's approved  
46 administrator preparation programs.  
47 j. One member representing parents of Iowa  
48 elementary or secondary students.  
49 k. Other education stakeholders as determined by  
50 the director.



1 4. Four members of the general assembly shall serve  
2 as ex officio, nonvoting members of the council, with  
3 one member to be appointed by each of the following:  
4 the majority leader of the senate, the minority  
5 leader of the senate, the speaker of the house of  
6 representatives, and the minority leader of the house  
7 of representatives.

8 5. The council shall submit its findings and  
9 recommendations to the state board of education, the  
10 governor, and the general assembly by January 1, 2015.

11 6. The director shall consider the findings and  
12 recommendations of the council to revise evaluator  
13 training in accordance with section 256.9, subsection  
14 63; and to develop a statewide system of performance  
15 review requirements for teachers and a statewide system  
16 of evaluation requirements for administrators which the  
17 director shall submit to the state board of education  
18 for approval.

19 DIVISION VII

20 IOWA TEACHER CAREER AND COMPENSATION MATTERS

21 Sec. 67. Section 284.7, subsection 1, paragraph  
22 a, subparagraph (2), Code 2013, is amended to read as  
23 follows:

24 (2) Beginning July 1, ~~2008~~ 2014, the minimum  
25 salary for a beginning teacher shall be ~~twenty-eight~~  
26 thirty-three thousand five hundred dollars.

27 Sec. 68. Section 284.7, subsection 1, paragraph b,  
28 subparagraph (2), Code 2013, is amended by striking the  
29 subparagraph.

30 Sec. 69. EFFECTIVE DATE. This division of this Act  
31 takes effect July 1, 2014.

32 DIVISION VIII

33 TRANSPORTATION ASSISTANCE AID

34 Sec. 70. Section 257.31, subsection 17, paragraph  
35 a, Code 2013, is amended to read as follows:

36 a. If a district's average transportation costs  
37 per pupil exceed the state average transportation  
38 costs per pupil determined under paragraph "c" by ~~one~~  
39 ~~hundred-fifty~~ seventy percent, the committee may grant  
40 transportation assistance aid to the district. Such  
41 aid shall be miscellaneous income and shall not be  
42 included in district cost.

43 Sec. 71. APPLICABILITY. This division of this Act  
44 applies to school budget years beginning on or after  
45 July 1, 2014.

46 DIVISION IX

47 INDEPENDENT ACCREDITATION OF NONPUBLIC SCHOOLS

48 Sec. 72. Section 256.11, Code 2013, is amended by  
49 adding the following new subsection:

50 NEW SUBSECTION. 16. a. Notwithstanding



1 subsections 1 through 12, a nonpublic school may be  
2 accredited by an approved independent accrediting  
3 agency instead of by the state board as provided in  
4 this subsection. The state board shall maintain a list  
5 of approved independent accrediting agencies comprised  
6 of at least six regional or national nonprofit,  
7 nongovernmental agencies recognized as reliable  
8 authorities concerning the quality of education offered  
9 by a school and shall publish the list of independent  
10 accrediting agencies on the department's internet site.  
11 The list shall include accrediting agencies that, as  
12 of January 1, 2013, accredited a nonpublic school in  
13 this state that was concurrently accredited under  
14 this section; and any agency that has a formalized  
15 partnership agreement with another agency on the list  
16 and has member schools in this state as of January 1,  
17 2013.

18 b. A nonpublic school that participates in the  
19 accreditation process offered by an independent  
20 accrediting agency on the approved list published  
21 pursuant to paragraph "a" shall be deemed to meet the  
22 education standards of this section. However, such a  
23 school shall comply with statutory health and safety  
24 requirements for school facilities.

25 c. If the state board takes preliminary action to  
26 remove an agency from the approved list published on  
27 the department's internet site pursuant to paragraph  
28 "a", the department shall, at least one year prior to  
29 removing the agency from the approved list, notify the  
30 nonpublic schools participating in the accreditation  
31 process offered by the agency of the state board's  
32 intent to remove the accrediting agency from its  
33 approved list of independent accrediting agencies.  
34 The notice shall also be posted on the department's  
35 internet site and shall contain the proposed date  
36 of removal. The nonpublic school shall attain  
37 accreditation under this subsection or subsections 1  
38 through 12 not later than one year following the date  
39 on which the state board removes the agency from its  
40 list of independent accrediting agencies.

41 DIVISION X

42 COMPETENCY-BASED TASK FORCE — GRANT PROGRAM

43 Sec. 73. NEW SECTION. 256.24 Competency-based  
44 education grant program.

45 1. Contingent on a specific appropriation for  
46 these purposes, the department shall establish a  
47 competency-based education grant program to award  
48 grants to not more than ten school districts annually  
49 for purposes of developing, implementing, and  
50 evaluating competency-based education pilot and

1 demonstration projects.

2 2. The department shall develop grant application,  
3 selection, and evaluation criteria.

4 3. Each pilot or demonstration project shall  
5 be conducted for a minimum of one year, but may be  
6 conducted for multiple school years as proposed by the  
7 applicant and approved by the department.

8 4. Grant moneys shall be distributed to selected  
9 school districts by the department no later than  
10 December 1, 2013. Grant amounts shall be distributed  
11 as determined by the department.

12 5. The department shall submit progress reports  
13 analyzing the status and preliminary findings of  
14 the projects to the state board, the governor, and  
15 the general assembly by January 15 annually. The  
16 department shall summarize the projects' findings,  
17 including student achievement results, and submit the  
18 summary and any recommendations in a final report to  
19 the state board, the governor, and the general assembly  
20 by January 15, 2019.

21 Sec. 74. 2012 Iowa Acts, chapter 1119, section 2,  
22 subsection 2, is amended by adding the following new  
23 paragraph:

24 NEW PARAGRAPH. f. Develop a draft strategic plan  
25 and proposed timeline for statewide implementation of  
26 competency-based learning for consideration by the  
27 general assembly.

28 Sec. 75. EFFECTIVE UPON ENACTMENT. The following  
29 provision or provisions of this division of this Act,  
30 being deemed of immediate importance, takes effect upon  
31 enactment:

32 1. The section of this Act amending 2012 Iowa Acts,  
33 chapter 1119, section 2, subsection 2.>

**By JONI K. ERNST**

S-3088

1 Amend Senate File 423 as follows:

2 1. Page 46, after line 27 by inserting:

3 <DIVISION \_\_\_\_

4 PRIVATE INSTRUCTION EXEMPTION

5 Sec. \_\_\_\_\_. Section 299.4, subsection 1, Code 2013,  
6 is amended to read as follows:

7 1. The parent, guardian, or legal custodian of a  
8 child who is of compulsory attendance age, who places  
9 the child under competent private instruction under  
10 ~~either~~ section 299A.2 ~~or 299A.3~~, not in an accredited  
11 school or a home school assistance program operated by  
12 a school district or accredited nonpublic school, shall  
13 furnish a report in duplicate on forms provided by the  
14 public school district, to the district by the earliest  
15 starting date specified in section 279.10, subsection  
16 1. The secretary shall retain and file one copy and  
17 forward the other copy to the district's area education  
18 agency. The report shall state the name and age of the  
19 child, the period of time during which the child has  
20 been or will be under competent private instruction  
21 for the year, an outline of the course of study, texts  
22 used, and the name and address of the instructor. The  
23 parent, guardian, or legal custodian of a child, who is  
24 placing the child under competent private instruction  
25 for the first time, shall also provide the district  
26 with evidence that the child has had the immunizations  
27 required under section 139A.8, and, if the child is  
28 elementary school age, a blood lead test in accordance  
29 with section 135.105D. The term "outline of course of  
30 study" shall include subjects covered, lesson plans,  
31 and time spent on the areas of study.

32 Sec. \_\_\_\_\_. Section 299A.1, unnumbered paragraph 2,  
33 Code 2013, is amended to read as follows:

34 For purposes of this chapter, "competent private  
35 instruction" means private instruction provided on a  
36 daily basis for at least one hundred forty-eight days  
37 during a school year, to be met by attendance for at  
38 least thirty-seven days each school quarter, by or  
39 under the supervision of a licensed practitioner in the  
40 manner provided under section 299A.2, ~~or other person~~  
41 ~~under section 299A.3~~, which results in the student  
42 making adequate progress.

43 Sec. \_\_\_\_\_. Section 299A.3, unnumbered paragraph 1,  
44 Code 2013, is amended to read as follows:

45 A parent, guardian, or legal custodian of a child of  
46 compulsory attendance age providing ~~competent~~ private  
47 instruction to the child ~~shall~~ may meet all of the  
48 following requirements:>

49 2. Title page, line 5, after <schools;> by  
50 inserting <providing for a private instruction

S-3088

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Page 2

1 exemption;>

2 3. By renumbering as necessary.

By DENNIS GUTH

S-3088 FILED MARCH 26, 2013

RULED OUT OF ORDER

HOUSE FILE 602

S-3089

1 Amend House File 602, as passed by the House, as  
2 follows:

3 1. Page 1, by striking lines 1 and 2.

4 2. By striking page 4, line 35, through page 8,  
5 line 30.

6 3. By renumbering as necessary.

COMMITTEE ON APPROPRIATIONS

ROBERT E. DVORSKY, CHAIRPERSON

S-3089 FILED MARCH 26, 2013

# Fiscal Note

*Fiscal Services Division*



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**SF 396** – Government Efficiency (LSB 1864SV)  
Analyst: David Reynolds (Phone: (515) 281-6934) ([dave.reynolds@legis.iowa.gov](mailto:dave.reynolds@legis.iowa.gov))  
Fiscal Note Version – New

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## **Description**

**Senate File 396** makes numerous changes to the operation of state government agencies. The changes by division include:

### **Division I - Office of Information Technology**

- Establishes the Office of Information Technology as an independently operated entity within the Department of Administrative Services (DAS). Requires the DAS to continue providing administrative support services for the Office.
- Exempts Information Technology (IT) employees from collective bargaining provisions under [Iowa Code chapter 20](#).
- Provides the Chief Information Officer (CIO) of the Office of Information Technology additional control over the management of IT staff employed by other state agencies, including how the other agency IT employees are assigned relative to IT services and the approval of employment decisions of IT employees of other state agencies. This Bill requires the CIO to work in consultation with the participating agencies concerning management and employment decisions of IT staff.
- Requires IT for use by other state agencies and entities to be approved by the Office of Information Technology.
- Requires agencies to provide necessary information to the office concerning IT inventories, operational requirements, and security functions.
- The Board of Regents and the Regents institutions are exempt from the IT consolidation initiative.

**Division II – Phased Retirement:** Amends the voluntary employee Phased Retirement Program administered by the DAS. The changes eliminate the 10.0% salary premium requirement that is paid to employees newly enrolled in the program. Allows employees currently enrolled in the program as of the effective date this Bill to maintain their current benefits of the program.

**Division III – Human Resources Consolidation:** Requires the DAS to develop and implement a plan to centralize all human resource management functions within the department, and requires all state agencies, except the Board of Regents, to cooperate with the DAS consolidation efforts.

**Division IV – State Physical Resources:** Requires the DAS to complete a needs analysis of state employee work stations and office standards by September 30, 2013, and submit the findings to the Capitol Planning Commission and the Legislative Fiscal Committee by October 30, 2013.

**Division V – Audits:** Prohibits the Auditor of State from collecting a filing fee for audit work from community mental health centers, substance abuse programs, and community action agencies. This language conforms to current practice as the Auditor does not currently collect fees from these organizations.

#### **Division VI – Electronic Communications:**

- Amends the confidential public records statute to include email addresses of individuals collected by state agencies for the sole purpose of disseminating routine information through electronic communications not prepared for a specific recipient.
- Requires state agencies to distribute notices and information electronically to the fullest extent possible. This requirement does not apply to notices concerning legal action or requirements relating to compliance with federal law.

**Division VII – State Records:** Repeals the State Records Commission and transfers the responsibilities to the Department of Cultural Affairs. This Division also allows the department to establish rates and bill other agencies for the cost of records storage.

**Division VIII – Public Health:** Eliminates several boards under the purview of the Department of Public Health and consolidates responsibilities with other boards and committees.

#### **Division IX – Public Safety Peace Officers Retirement System (PORS) Public Health:**

Recalculates a PORS disability retirement benefit for a beneficiary less than 55 years of age. This Bill provides that a beneficiary shall have disability retirement benefits reduced equal to the difference in income the beneficiary is receiving from other work and two and one-half times the amount of the current earnable compensation of an active member of PORS at the same position on the salary scale as the beneficiary less the net retirement allowance.

**Division X – State Debt Coordinator:** Requires the Department of Revenue to develop proposals to make the Office of State Debt Coordinator more efficient and submit a report of the recommendations to the Department of Management, the Governor, and the General Assembly by January 13, 2014.

**Division XI – Ongoing Program Review:** Requires the State Government Efficiency Review Committee to regularly review programs administered by the state to determine if programs are meeting the needs as designed and whether or not the programs could be modified to be more efficient.

**Division XII – Boards and Commissions:** Repeals the Farm-to-School Council that was originally created to establish partnerships with public agencies and nonprofit organizations to facilitate communication between farmers and schools.

**Division XIII – Obsolete Provisions:** Repeals obsolete language pertaining to the Farmworks National Demonstration Project, the World Trade Center, and the Midwest Nuclear Compact.

#### **Fiscal Impact**

**Summary:** Of the divisions of this Bill where a fiscal impact can be determined, state costs will be reduced by approximately \$1.8 million to \$3.4 million annually after certain human resources (HR) consolidation measures are fully implemented in FY 2016. The cost savings will impact multiple state funding sources. Additional cost savings are anticipated due to the provisions of this Bill relating to IT consolidation; however, an estimate cannot be determined at this time.

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#### **Impact by Division:**

**Division I:** An estimate of the savings directly related to the IT consolidation cannot be determined at this time. The creation of the Office of Information Technology together with the expanded authority of the Office is anticipated to expedite the consolidation of IT services of Executive Branch agencies. As a result, the DAS has indicated that the IT consolidation efforts, once fully implemented, will result in significant savings to the state. Much of the savings will be achieved by reducing duplicated services and enabling unified IT investment decisions for the Executive Branch. Additionally, the savings are dependent on an up-front investment of IT

infrastructure to enable more efficient processes related to IT usage to be implemented with fewer employees.

**Division II:** The changes to the voluntary Phased Retirement Program are estimated to result in a cost avoidance of \$9,000 to \$27,000 annually to the state. The funding sources impacted by this provision will depend on the fund from which future participants' salaries are paid.

**Division III:** The consolidation of HR management services is estimated to reduce HR costs by \$3.4 million annually when fully implemented. Approximately \$1.6 million of this savings is contingent on efficiencies associated with the state purchasing and making operational a new Human Resources Management System (HRMS). The savings will begin to be realized in approximately two years. A portion of the expenditure reductions will likely be offset if state agencies decide to reassign employees that currently spend only a portion of their time performing HR work to other areas within the agencies.

**Division IV:** The DAS has indicated they may need to hire a consultant at an estimated cost of \$10,000 to complete the state employee work station analysis.

**Division VII:** The changes to the state records provisions allows the Department of Cultural Affairs (DCA) to establish rates and bill other state agencies for services provided by the DCA for retaining and archiving records. The cost cannot be determined at this time due to insufficient information.

**Division IX:** Increasing the salary cap from 1.5 to 2.5 times the amount of the current earnable compensation of an active member of PORS for beneficiaries receiving disability benefits through the PORS Fund could cost the fund an estimated \$23,700 per year.

The remaining divisions of SF 396 will have no or little fiscal impact.

### **Sources**

Department of Administrative Services  
Department of Cultural Affairs  
Department of Revenue  
Department of Public Health

/s/ Holly M. Lyons

March 26, 2013

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The fiscal note for this bill was prepared pursuant to [Joint Rule 17](#) and the Iowa Code. Data used in developing this fiscal note is available from the Fiscal Services Division of the Legislative Services Agency upon request.

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